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Human Rights, Environmental Conference in Sydney

BK1210071091 Melbourne Radio Australia in English 0500 GMT 12 Oct 91

[Text] Delegates from around the world have gathered in Sydney for a conference focusing on the links between human rights and the environment. After being opened by Australia's minister for Aboriginal affairs, Robert Tickner, the conference will examine the global threat to a safe and healthy environment. John Thompson reports.

[Begin Thompson recording] Lawyers, activists, academics, and environmentalists from around the world will examine the latest United Nations report on human rights and the environment. They will be looking at the relationship between human rights—like the right to life, health, and property—and environmental protection. The conference will make recommendations to the UN and the heads of government summit on the environment to be held in Brazil next year. [end recording]

Thailand Stresses Eradication of AIDS to G-24

BK1210101191 Bangkok Radio Thailand Network in Thai 0530 GMT 12 Oct 91

[Text] Our public relations department correspondent reported on the meeting of the G-24, or group of developing countries, which began this morning at the Queen Sirikit National Convention Center, the venue for the annual meeting of the World Bank and the International Monetary Fund.

The G-24 comprises mainly African countries. The morning session lasted until about 1030 before a short tea break.

In the meeting, delegates exchanged their views mostly on the problems of poverty in developing countries and assistance from developed countries.

At 1100, Michai Wirawaithaya, minister attached to the prime minister's office, and Michael Merson, director of the Global Program Against AIDS of the WHO, delivered speeches on the economic impact of AIDS.

Michai told reporters that he was raising the problem of AIDS before the meeting because he felt that it was a serious problem. As long as the problem prevailed in any country, it would have a serious impact on economic development. Therefore, those working in the financial field in every country should be aware of the problem of the deadly disease. Countries faced with a serious AIDS problem would find difficulties in loan repayments.

As for Thailand, Michai said that the country had realized the serious repurcussion of the AIDS problem and was implementing radical measures to prevent and tackle the problem. If successful, Thailand would be able to save as many as 35 million Thai people.

Currently, Thailand had become a model country for AIDS prevention, while many countries that had been suffering from AIDS had not yet accepted the fact of the problem. Therefore, countries facing the problem should quickly try to find ways to prevent and eradicate the disease before it was too late, Michai stressed.

The correspondent also reported that this morning, Thai Communications Minister Nukun Prachuapmo applied for an identity card to attend the meeting and inspected the national convention center and mass media operations. He said he would also attend the meeting but would not make any statement.

During that morning, LPDR [Lao People's Democratic Republic] Deputy Prime Minister Khamphoui, in his capacity as special guest of the meeting, arrived at the Sirikit convention center. He told reporters that the purpose of his Bangkok trip was to ask for financial assistance, as the relations between Laos and Thailand had been increasingly strengthened.

Thai Finance Minister Suthi Singsane remarked that, as a matter of fact, Laos had abundant natural resources but had not yet really used them effectively. He said that in the next 10 years, if existing natural resources were effectively used, Laos would make much more progress due to the fact that currently the country had a good leader.

Wichit Suphinit, governor of the Bank of Thailand, said the president of the World Bank and the managing director of the International Monetary Fund had made remarks about the economic situation of Thailand. They described the current Thai economic situation as very good, the economies of many other countries being unable to match that of Thailand despite high competitiveness in those countries. Favorable factors contributing to the Thai economy include the absence of an inflation problem, a tourist industry with no problems, and a monetary flow. These factors therefore ensured that Thailand's economic growth rate would not be lower than the previous estimate of 8 percent.

Thai Prime Minister Addresses IMF Meeting

BK1510080591 Bangkok Radio Thailand Network in English 0310 GMT 15 Oct 91

[Speech by Thai Prime Minister Anan Panyarachun at the official opening of the 46th annual meeting of the World Bank/IMF Boards of Governors in Bangkok—live]

[Text] Chairman Bettor, President Preston, Managing Director Camdessus, distinguished governors and delegates, ladies and gentlemen:

On behalf of the people and the government of the Kingdom of Thailand, I have a great honor and pleasure to welcome heads of governments, governors, delegates, and participants to the 46th annual meeting of the World Bank and the International Monetary Fund. I am delighted that these two prominent institutions have chosen Bangkok to be the venue of this most prestigious gathering of finance ministers and central bank governors as well as all the leading commercial bankers and financiers of the world.

The choice of Bangkok reflects the growing significance of Southeast Asia, the region with the highest growth rate in the world during the past few years. I hope that when this meeting is over, you will not only have pleasant memories of your stay, but will also be back in the near future to visit our country again. For centuries, the Kingdom of Thailand has been a Southeast Asian cultural and economic crossroad, and gently absorbing immigrants. The indigenous Thai culture was enriched by diverse ethnic influences. Bangkok is a blend of old and new. It is an indication that the Thai people have respect for tradition while at the same time we move with the modern world. During your stay in Thailand, we hope that you will find time to explore the wonderful mix of tradition and modernity that is a character or our nation, and that you'll be able to travel outside of Bangkok to see the many faces of Thailand, not only the modern capital city of Bangkok, but also the countryside which is blessed with natural beauty and rich cultural heritage.

Both the World Bank and International Monetary Fund have duly given credit to Thailand's economic performance during the 1980's as an example of successful development that combined growth with stability. The macroeconomic adjustment program launched during the early 1980's has successfully restored economic stability which subsequently provided the foundation for rapid economic growth. Although we are hardened by this, the success is not without qualifications. Not all the Thais have fully enjoyed the fruits of success. Many problems still remain to be solved, and many challenges must be overcome, some of which are indeed problems of the very success of which we are proud. Therefore our development achievements so far must be considered as a qualified success story, and we have to continue to strive hard to bring progress and prosperity to all our people. The Thai experiences, although unique in many respects, contain several lessons which I would like to share with our collegues from other developing countries as well as with our friends from the more developed world.

To start with, we must take a measured and realistic look at Thailand's experience and perhaps an example of both the positive and negative aspects of development strategy as prescribed by the World Bank and the IMF. Thailand has made a dramatic transition from an agricultural and resource based economy into a more dynamic export-led and combined mix of agriculture, agroindustry, manufacturing, and services. Along this long and arduous path, there were many difficult decisions to make, and I believe that the decision to pursue early corrective policies in response to the difficult conditions of the early 1980's was the one that has contributed the most to Thailand's recent success. In response to the problems of low and stagnant growth, widening current account and fiscal imbalances as well as increasing inefficiencies during the first half of the 1980's, the Royal Thai Government embarked on a comprehensive transition and structural adjustment program to unlock the vast potentials of the free enterprise economy, emphasizing promotion of the private sector role. Furthermore, with continued prudent economic management, I can say with great confidence that Thailand has the ability to move on its growth potentials with economic stability while making significant contribution to the overall growth of the global economy.

Mr. Chairman, economic management is a continuous process. There are no resting points in the progress of development and economic adjustment. Allow me again to cite Thailand as an example. After having successfully addressed the problems of instability and minimum growth in the early eighties, Thailand is now facing a different set of [words indistinct] which are no less important but which require a different approach. In the last decade, we successfully tackled macroeconomic issues through fiscal austerity and monetary discipline as well as improving competitiveness and economic efficiency. In the 1990's, we will have to deal with socioeconomic inequalities of income distribution, of ecological issues, and continuously to improve our competitiveness in production and export in an increasingly difficult international economic environment.

While there are agreements on the nature of development issues that are confronting us in the 1990's, there is less consensus on how to cope effectively with these issues. The conventional approach of fiscal and monetary disciplines which were extensively used in the 1980's is still considered necessary but not sufficient. They have prescribed a new vision, strategy, and program to deal with the problems of the 1990's.

Mr. Chairman, distinguished governors, your meeting marks the beginning of a new development era of the 1990's. There are many challenges and problems that demand bold initiatives and strong will to renew the spirit of cooperation among the developed and developing nations in our continuous battle against poverty. In this part, permit me to express a few of my concerns. First, there will be continued strain on resource mobilization to cope with old and new demands, including the pressing needs of least developing countries, the continued demands from countries struggling to [words indistinct] and made worse by the Gulf crisis, the widening economic gap between the rich and the poor within each country, within the region, and within the world, the transformation of the USSR and Eastern Europe to market economy, and finally, the new demands for resources to cope with the deprivation of world environment. All of these entail tremendous resources which require concerted efforts to mobilize. I trust that in your consideration, a dynamic and balanced approach to respond to all these needs will be found.

Second, in the 1980's when we put our macroeconomic house in order, we were able to gain entrance to the world export markets. In the 90's it is likely to be far more difficult to achieve and to sustain export success, even with the increasing regionalization of the world economy. Although we hope that the major regional groupings will support global free trade, it could just as easily lead to a world of managed trade, greatly constraining the export performance of the developing world.

The global [words indistinct] trade and economic environment, [words indistinct] need to develop new initiatives to expand market opportunities for developing countries. In this context, support to enhance economic complementarity among developing countries is called for, leading to the proposed creation of ASEAN Free Trade Area with a 15-year time frame among the six member countries of the Association of Southeast Asian Nations of which Thailand is privileged to be a member, as well as cooperation among countries in Southeast Asian subregions, including Laos, Vietnam, Cambodia, Myanmar [Burma], Southern China, and Thailand.

Mr. Chairman, governors, today we all live in the global community of interdependent nations. Our interests are intertwined. In order to help one another achieve a long and lasting prosperity, I firmly believe that our efforts must be built on the determination, willingness, and spirit for closer cooperation among members of the world community. In this context, the failure to reach an accord in the Uruguay Round could be but a clear reminder that the actions taken so far fell short of our stated objectives. Our credibility is at stake, and we need to match our political statements with our actual performance in the negotiation process. Development, to me, is not a progress fully of numbers and facts, figures and statistics. We have to have a human face. We have to meet the needs and aspirations of the people to create a cleaner and gentle world for our children to live, grow, and prosper, a world where the water is clean, the air is sweet, and the vision of beauty endless. There is a tremendous cost in defending our quality of life as equal to if not greater than the cost of feeding the poor, housing the homeless, and allowing the least fortunate the opportunity to uplift themselves educationally, socially, economically, and politically.

We in Thailand will do our best to participate in this quest to obtain sustainable development, the development which will enrich the quality of life as well as enhancement of income for the wider segments of population. Today I still find it difficult to understand why it is harder to help the poor, to feed the hungry, and to make the world cleaner than making war. As a small country, I do not dare to preach, I only dare to hope that with (?little more) political conscience, the rich and the poor, the developed and the developing will invest more in instruments for peace and prosperity rather than in instruments of war.

Mr. Chairman, ladies and gentlemen, I urge all of you to stand firm with the determination to help the poor, the underprivileged, and the downtrodden, as well as improve the quality of life and promote prosperity in the world. The rapid degradation of nature and environment has put our common global heritage at great peril. Combined efforts and political will are essential to deal effectively with this most crucial challenge of the 1990's. In this spirit, I wish you every success in your deliberations as the world is awaiting new and bold initiatives for the decade of the 1990's to alleviate poverty, reduce income disparities, upgrade human resources development, and to safeguard the quality of life for mankind. I hope that these Bangkok meetings will be the beginning of the great quest for sustainable and balanced development in the world. Thank you, Mr. Chairman

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Thailand Supports Loans for East Bloc, Soviets

BK1310020491 Bangkok BANGKOK POST in English 13 Oct 91 pp 1, 3

[Text] Thailand will support the move by developed countries to provide loans to the former Eastern bloc and Soviet Union, says Bank of Thailand Governor Wichit Supinit.

Thailand, ASEAN and Indochina do not see this as a problem, he said yesterday, adding:

"We would not suffer from such a phenomenon because there are already many foreign investors interested in Thailand, ASEAN and Indochinese countries."

Mr Wichit said there is an urgent necessity to revive the economy in Eastern Europe and the Soviet Union.

Basic structural adjustment is needed so they can become a major market for the rest of the world.

"If their market-oriented economies get going quickly, Thailand would also benefit from that."

However, he said that although capital flows from the industrialised countries might have to be channelled into that region, the flow into ASEAN and Indochina will not be affected.

This is because ASEAN has high investment potential compared with other regions.

Indochina, where the political situation is being "normalised," in particular will start to attract foreign investment, including that from Thailand.

The capital inflow to Thailand this year will double earlier projections, Mr Wichit said.

"The Government has taken various measures including the tax adjustment on machinery, raw materials, personal and corporate income tax to induce foreign investment."

The earlier problems of insufficient infrastructure have been eased and foreign investment is expected to be on the upturn soon, he said.

After assessing projections of the world economic situation for this year and next year—released last week by the IMF—he is confident that Thailand will be able to sustain 8 per cent economic growth next year.

"We would be happy with 8 per cent and would not try to boost the economy to grow beyond that rate to prevent a possible recurrence of economic overheating."

Where inflation is concerned, this year's rate will be 6 per cent but during the next five years the average inflation rate will be controlled within 4 to 5 per cent a year.

Meanwhile, Finance Minister Dr Suthi Singsane said after the Southeast Asian Group (SEA Group) meeting yesterday that it would propose to the WB [World Bank]-IMF that financing of this region should not be decreased.

"Some members are worried that more finance to the former Eastern bloc amd Soviet Union would make it possible for both agencies to slow down financing Southeast Asian countries."

Thai Help Sought in Concluding Uruguay Round

BK1310021691 Bangkok BANGKOK POST in English 13 Oct 91 p 1

[Excerpt] GATT Director-General Arthur Dunkel yesterday called on Deputy Commerce Minister Pridiyathon Thewakun to help convince ASEAN to play a supportive role for a successful conclusion of the stalled Uruguay Round.

Mr Dunkel said after a dinner meeting with M.R. Pridiyathon that in attending the World Bank-IMF meeting in Bangkok he is hoping to find a way to bring the Uruguay Round to a close and realise a global free trade agreement.

Mr Dunkel's presence marks the first dialogue between the Generalised Agreement on Tariffs and Trade, the World Bank and the International Monetary Fund.

M.R. Pridiyathon said Mr Dunkel told him that the round is close to a finish and a comprehensive package to liberalise world trade would be forthcoming this month, making the present time a very critical period.

"Mr Dunkel asked that ASEAN adopts a role to help push the Uruguay Round in the desirable direction whether it be agricultural or textile," the deputy minister said in reference to two of the 15 problematic issues being negotiated in the round.

If the round cannot be closed next month then the chances of its success will be further delayed for a long time because other worries would demand the attention of the concerned countries, such as the U.S. elections, a change of team in the European Commission, and the problems concerning Russia.

There is a fear that the momentum behind the Uruguay Round would be gone and without a successful closing the alternative would be further trade wars between countries and regional trade blocs.

Permanent Secretary for Commerce Phatchara Itsarasena said that in the past GATT was not given as much importance as it should have been, but now every country is realising the importance of free trade which is connected to every other issues and countries.

No countries, for example, could solve their foreign exchange problem if they have trade problems.

"Dunkel wants Thailand to convey this message to ASEAN," Mr Phatchara said.

During a meeting of the G-7 group yesterday a ministerial communique was issued stating that their ministers "noted that improved market access and sustained expansion in global trade would provide the basis for world economic growth and is particularly vital for countries implementing market-oriented reform.

"In this connection they re-emphasise the importance of bringing the Uruguay Round to a rapid and successful conclusion." [passage omitted]

Japan Urges Thailand To Ease Banking Curbs

BK1410050191 Bangkok THE NATION in English 14 Oct 91 p 1

[Report from special "World Bank/IMF News" supplement]

[Text] Japan's Finance Minister Ryutaro Hashimoto has asked his Thai counterpart to review the government's restrictive policy in granting licences for international banks.

In a private talk with Thai Finance Minister Suthi Singsane yesterday at the Queen Sirikit National Convention Centre, Hashimoto called for the issuance of new banking permits for foreign banking institutions.

According to Hashimoto, several Japanese banks wanted to set up branches in Bangkok given the liberalization of the Thai financial sector and their growing confidence in the strength of the Thai financial sector.

There are currently 14 foreign bank branches in Thailand of which two are Japanese banks—Mitsui Tokai Kobe Bank and the Bank of Tokyo.

Hashimoto told the Thai finance minister that the Chinese government had invited Japanese banks to open branches there but the latter preferred to set up in Thailand because of the greater potential here. However, if restrictions were not lifted the Japanese banks would probably choose China, he said.

World Bank Official Urges Aid for SRV Reform

BK1410033191 Bangkok BANGKOK POST in English 14 Oct 91 p 3

[Text] Vietnam's impressive economic reform process could falter without an immediate injection of external supports for which the World Bank has started laying the necessary groundwork for future aid flows from multilateral and other donor parties, a senior World Bank official said yesterday.

And just as the fledging economies of Eastern Europe or elsewhere in the world need outside support for their market-oriented adjustments, Vietnam should be treated with the same evenhandedness, said Gautam S. Kaji, Country Director for the World Bank's Asia Regional Office.

Irrespective of whether aid to Vietnam will be affected by the immense priority of the Soviet Union, once the country has cleared its U.S.$102 million debt to the International Monetary Fund, Vietnam will be eligible for International Development Association (IDA) aid, he said.

IDA finances development projects and programmes for the poorest countries with per capita income below $400 whereas aid to the Soviet Union would be more of a World Bank-type activity, he said.

But the more crucial question is the U.S. position, which insists that the Cambodian problem be solved and that Vietnam account for American servicemen missing since the Vietnam War.

Commending Vietnam's achievements in economic reforms, Mr Kaji said Hanoi is "clearly facing the strengthened pressure for maintaining the adjustment programme against the backdrop of no external assistance coming in, and in fact the withdrawal of assistance (from the Soviet Union and the now-defunct COMECON)."

Until last year, Vietnam had thrived on aid and preferential trade arrangements with the Soviet Union and the former East Bloc countries that helped it weather the U.S. trade and investment embargo.

Among the remarkable developments in Vietnam that impress the World Bank are a realistic foreign exchange market, a free pricing system, that the private sector is allowed to grow even domestically, a liberal investment law and active efforts to promote investment programmes, he said.

Vietnam's adjustment efforts have taken place and matured to the extent where the reform process could face the problem of "underfunding and broad acceptability" if this opening economy is not going to be integrated into the global mainstream, said Mr Kaji.

Although Vietnam is faced with this "daunting task," the World Bank could not do anything on financial support with Vietnam's arrears to the IMF over the past two and a half years when Vietnam approached the Bank for technical advice on the economic reform.

France is lobbying for donor countries to pool resources for settlement of Vietnam's debt to the IMF so as to de-block its access to loans.

But the success of this initiative for which France has pledged US$50 million hinges on a political consensus.

A political agreement, which France is apparently seeking to work for in the special IMF meeting on Vietnam on Wednesday, will also provide assurance for interested commercial banks to enter in the joint-resource pooling in aid of Vietnam.

With the embargo, the US vetoed Vietnam's access to the World Bank and the IMF, a position that Japan staunchly follows despite the magnitude of Japan-Vietnam trade and the role of Japan's private sector in Vietnam.

The poor condition and inadequacy of infrastructure in Vietnam can only be addressed through a massive injection of aid from multilateral sources.

Declining comments on the prospect for such a political agreement, Mr Kaji said that from a purely economic point of view, the needs for external supports are great in order to enable Vietnam to cope with inflationary pressures that adjustment brings, to invest in infrastructure, to boost domestic production capacity, and the whole host of issues that stems from lack of foreign savings to fund the reform process.

"I would hope that relations are totally normalised, that is, we can start extending financial assistance.

"At that time, I hope that the works we have been doing with the Vietnamese would not only facilitate the flow of funding from us, but also from other donors because of the sector-wide approach and the priorities we have worked upon which would help decision-making by other donors as well," he said.

Mr Kaji will attend the Wednesday meeting convened by France.

"I guess what the Bank could say (at the meeting) is to give our assessment of where the economy is, and where it is heading.

"We can only report on what we see and what we can do within the parameters of where we stand today," he said.

To the question of how much longer Vietnam can endure the reform-imposed pressures without external help, Mr Kaji said Vietnam has so far "kept impressing us with their management."

Mr Kaji underlined the need for foreign savings in order for Vietnam to ease the "lead-lag" pressures between supply and adjustments.

Despite good performance on the petroleum and agriculture exports, he stressed that it is "very difficult (for Vietnam) to carry on the momentum without external assistance particularly when the Soviet and COMECON relationship had dried up."

Vietnam has no arrears with the World Bank and has continued serving the $68 million debt it has with the Bank.

Lao Vice Premier on IMF Aid, Loans to USSR

BK1410033591 Bangkok THE NATION in English 14 Oct 91 p 4

[From the special "World Bank/IMF News" supplement; report on interview with Lao Vice Premier Khamphoui Keoboualapha by unidentified NATION reporter in Bangkok; date of interview not given]

[Text] Laos, once a recipient of Soviet aid, is worried that its former patron would drain financial assistance from the World Bank and the International Monetary Fund (IMF) meant for developing countries.

While showing sympathy for the current state of the Soviet economy, Khamphoui Keoboualapha, Laotian vice prime minister, told THE NATION that other poor countries, like Laos, are also in need of fresh economic assistance.

He urged the two institutions to be cautious in making any final decisions about diverting their resources to shore up the sagging economies of the Soviet Union and Eastern European countries.

"If the shares of loans or assistance for developing countries were cut, then they could face economic difficulties. The developed world should appropriately allocate its financial resources for the two parties (the Soviet Union plus Eastern Europe and the developing and Third World countries)," he said.

Like the two other Indochinese states of Cambodia and Vietnam, Laos was a recipient of economic and military aid from the Soviet Union before the end of the Cold War. Moscow also stationed troops in the three countries.

One of the poorest countries in the world with a GNP per capita of US$180, the landlocked Laos hopes to convince the World Bank/IMF meeting here on more economic and development assistance.

Seeking Assurance

Khamphoui, who is also minister of economic planning and finance, said his delegation has three proposals to submit to the officials of the two institutions here.

He said Laos is seeking World Bank loans to finance its rural development. While Vientiane has yet to work out a definite amount of money needed, it wants the World Bank to agree in principle to its request before conducting joint studies on the proposed projects, he said.

The proposed development projects, he said, will give priority to the agricultural sector which serves as the country's economic base. The aim is to increase agricultural production.

The minister said Laos will seek technical assistance to help improve its bureaucracy. Vientiane, he said, wants to privatize some of its public agencies and state enterprises. The government, he said, has planned to allow the private sector to take over some ailing enterprises but would need advice and assistance from the world institution.

Vientiane also wants loans to finance its ongoing development projects, said Khamphoui. But he did not elaborate.

Laos, he said, has been pursuing for the past few years economic reforms to improve the life of its people.

Khamphoui will today meet Attila Karaosmanoglu, World Bank's vice president for Asia to discuss Laotian needs. He is also seeking a meeting with Thai Commerce Minister Amaret Sila-on.

On Other Fronts

Meanwhile, the Laotian minister on Saturday sought a tariff reduction for its processed wood exports to Thailand to bolster bilateral trade and its foreign exchange earnings.

Khamphoui made the suggestion during a meeting with Thai Finance Minister Suthi Singsane.

Laos wants Thailand to cut its import tariffs for processed wood from 50 to 20 per cent, the same level as for 16 other items from Laos on which Thailand recently agreed to reduce the tariffs.

Khamphoui said he has submitted the proposal to Thai officials and discussion will take place in due course.

He did not elaborate on whether the talks on tariff reduction will take place during his remaining stay for the World Bank/IMF meetings, or at another forum.

He said part of the reason for Laos asking Thailand to reduce the tariff is that it wants to promote exports of value-added products and develop its workers' skills.

Most of the processed wood products sent to Thailand are tiles, plywood, doors and windows and ready-to-assemble furniture.

Thailand has sought supplies of wood from neighbouring countries, especially Burma and Laos, to satisfy local demand following the nationwide ban on logging concessions two years ago.

However, both Burma and Laos have also started concentrating on the ecological and environmental impact from unsustainable timber felling and also want to promote domestic skills involving processed wood products.

Laos' relations with Thailand have improved considerably following the coup in Bangkok in February. Thai military leaders have taken the initiative to promote closer political ties with the neighbouring country.

Son Sann, Lao Premier Appeal for Financial Aid

BK1510034391 Bangkok THE NATION in English 15 Oct 91 p A2

[Text] Son Sann, the chief of the Cambodian delegation to the World Bank/IMF meeting yesterday appealed for development aid to Cambodia, Laos and Vietnam to be made available "in parallel" and only after an elected Cambodian government is formed.

Son Sann made the statement while some Western nations were attempting to convene a special meeting to draw financial resources to assist Vietnam's ailing economy. The conference, which was initiated by France, Sweden and Australia and scheduled for tomorrow, however, would run counter to the US policy of a trade and aid embargo on Vietnam.

"We hope that development aid to Cambodia, Laos and Vietnam will be made available parallelly and only after the result of the elections organized by the UN in Cambodia," said Son Sann in a statement released yesterday.

He also appealed for more assistance to help victims of floods and famine in Cambodia.

Son Sann also asked for the World Bank and International Monetary Fund to set up a special team of experts to be sent to Cambodia to help shape the national economy after the UN-organized general elections. The technical team should conduct survey studies and carry out detailed planning on the monetary, tax, banking and other essential economic systems, he said.

Son Sann, who was the founder and governor of the Cambodian National Bank from 1955 to 1968, is leading a six-member delegation made up of members of the four rival Cambodian factions attending the World Bank/IMF meeting here as "special guests"—the first Cambodian participation since the country fell to the Khmer Rouge in 1975.

Son Sann held talks yesterday with Hubert Neiss, director of the IMF's Central Asian Department.

—Laos yesterday won praise from the World Bank and pledges of increased assistance to improve its infrastructure, trimmed-down bureacracy and human resource development programme.

Laos Vice Premier Khamphoui Keoboualapha met with the World Bank's vice president for Asia region, Attila Karaosmanoglu, to discuss Laos' financial need in the future.

He said in the International Finance Cooperation, the financial arms of the World Bank, has agreed in principle to provide financial assistance to Laos for the first time.

Laos, which switched from the centralized economic planning to market system in 1986, has been the recipients of the World Bank and Asian Development Bank, IFC, Khamphoui said, agreed to invest in Laos in related infrastructure projects and telecommunications.

The Laotian premier said the World Bank is planning to send a delegation to Laos by the end of this year to assess the landlocated nations' plan to scale down its bureaucracy and help train personnels in management.

In the past two years the World Bank provided an average of US$60 million each year to Laos. In the eary 1980's, the bank gave only approximately US$15-20 million.

Japan

Official Clarifies Timeframe for Islands Return

OW1610102591 Tokyo KYODO in English 0956 GMT 16 Oct 91

[Text] Tokyo, Oct. 16 KYODO—Japan does not want to wait until the end of the 20th century to get back four islands seized by the Soviet Union at the end of World War II, a top-level Foreign Ministry official said Wednesday.

The official, speaking on condition of anonymity, was clarifying Foreign Minister Taro Nakayama's remarks to Russian Federation President Boris Yeltsin that a resolution to the territorial dispute should not be left to the 21st century.

Yelstin, who met Nakayama on Tuesday in Moscow, was quoted by the official as telling Nakayama that he understood the foreign minister's point and that negotiations should be accelerated.

The Foreign Ministry official told reporters that Nakayama was not inferring by his remarks that it would be appropriate for a territorial settlement to be left until the very end of the 20th century.

Rather, he said, Nakayama meant the problem should be cleared up as soon as possible.

Yeltsin told reporters after his talks with Nakayama that under new circumstances it is possible to considerably cut the initial terms to fulfill his proposal for a gradual settlement in five stages.

Yeltsin's original proposal essentially left the question of control of the four islands—Kunashiri, Etorofu, Shikotan, and the Habomais—to the next generation.

Government Not To Give Super Collider Funding

OW1210001291 Tokyo KYODO in English 1404 GMT 11 Oct 91

[Text] Tokyo, Oct. 11 KYODO—Japan will reject a U.S. request for financial assistance to fund part of the construction costs of the 8 billion dollar Superconducting Super Collidor (SSC), dubbed the "atom crasher," government officials said Friday.

The Science and Technology Agency officials said the agency's Director General Akiko Santo will convey the Japanese decision to a U.S. government delegation that is expected to reiterate the U.S. request at a meeting in Tokyo next week.

The U.S. delegation will consist of senior officials on science policy matters, including Allan Bromley, science adviser to U.S. President George Bush, Walter Massey, director of the National Science Foundation, and Henson Moore, deputy energy secretary.

The meeting, the third of its kind between Japanese and U.S. officials on science policy coordination, is designed as a forum to expedite bilateral development cooperation efforts on scientific technology.

The super collidor, an 85-kilometer circular tunnel, to be built in the Texas town of Waxahachie, would dissect atoms by hurling protons (atomic particles) at each other at velocities approaching the speed of light.

Rejection of Request 'Awkward'

OW1510150291 Tokyo KYODO in English 1429 GMT 15 Oct 91

[Text] Tokyo, October 15 KYODO—U.S. President George Bush is likely to seek Japanese financial aid of 1.6 billion dollars for a superconducting super collider currently under construction in Texas when he holds summit talks with the new Japanese prime minister in Tokyo next month, Japanese Government sources said Tuesday.

The sources said it will be difficult for Japan to appropriate such a large amount for the U.S. super collider project at present considering the difficult financial conditions facing the government and the balance between Japan's science research budget and the U.S. request.

However, a high-ranking official of the Foreign Ministry said it will be awkward for the new prime minister to reject Bush's request as both Bush and State Secretary James Baker are from Texas.

Incumbent Prime Minister Toshiki Kaifu is stepping down at the end of this month.

Bush first sought Japan's assistance in a letter to Kaifu in May last year. Since then Bush has also directly requested cooperation in the project when he held summit talks with Kaifu in April and July this year.

The superconducting super collider is aimed at probing into the ultimate composition of matter and the mystery of the origins of the universe by causing protons to collide in a huge underground ring 87 kilometers in diameter at energy levels 10 times greater than colliders currently in use can produce.

The total construction cost amounts to 8.25 billion dollars.

Allan Bromley, science adviser to Bush, is likely to press Keizo Obuchi, secretary general of the Liberal Democratic Party, for assistance in a meeting slated for Wednesday, government sources said.

Bromley is visiting Tokyo to attend a U.S.-Japan meeting on science policy coordination scheduled for Wednesday and Thursday.

Government To Urge PRC, India To Reduce Arms

OW1510133591 Tokyo KYODO in English 1321 GMT 15 Oct 91

[Text] Bangkok, Oct. 15 KYODO—Japan will tell China and India, two of Asia's military powers, of the need for reduction in arms spending in negotiating official economic assistance, a senior Japanese Government official said Tuesday.

"We cannot simply make our aid conditional on military spending cuts but we'd like to convey such an idea through negotiations," Vice Finance Minister for International Affairs Tadao Chino told a news conference.

Military policy constitutes part of a nation's sovereignty and cannot be linked with assistance, Chino said.

"But we intend to make judgments, bearing it (the two nations being military powers) in mind and monitor developments in the process of disbursing aid," he added.

Japan is a leading aid donor for China and India.

Chino is a member of the Japanese delegation to the current joint annual meeting of the International Monetary Fund (IMF) and World Bank under way in Bangkok.

IMF and World Bank leaders have repeatedly stressed the need to reduce defense spending, taking advantage of the end of the cold war, and meet a looming global credit shortage.

UN Envoy Seeks Arms Transfer Reporting System

OW1610034291 Tokyo KYODO in English 0131 GMT 16 Oct 91

[Text] New York, Oct. 15 KYODO—Japan urged the United Nations on Tuesday to establish a reporting system on international arms transfers within the world body as soon as possible.

Mitsuro Donowaki, Japanese ambassador to the conference on disarmament in Geneva, said in a session of the committee on disarmament of the U.N. General Assembly that the Gulf crisis was an example of aggression brought about by international arms transfers.

"One of the lessons to be learned from the Gulf crisis is that the amassing of massive arsenals by one country through international transfer and proliferation contributes to aggressive behavior when such actions are tied to that country's political aim," he said.

The U.N. reporting system for increased transparency in international conventional arms trading was first proposed by Prime Minister Toshiki Kaifu at an international disarmament meeting in Kyoto in May. Japan and the 12 European Community member nations are preparing to jointly submit a resolution on the establishment of the system to the on-going U.N. General Assembly session.

Donowaki said in his speech that this type of registration system should not be expected to be perfect from the beginning, but rather should be established as early as possible and improved upon later to gradually become a "universal and non-discriminatory" system.

The ambassador also said that questions remain over the adequacy of the system, concerning whether it should include indigenous arms production and the transfer of components and related arms technology.

"In particular, those nations which depend on arms imports rather than on indigenous production are afraid that enhanced transparency of arms transfers might endanger their national security," he said.

He said that although transparency must also be promoted in arms production and arms components, the volume of information to be reported will increase tremendously if the system includes those areas.

"Therefore, a realistic way would be to begin with what is immediately feasible, while at the same time to keep studying ways to expand the register to cover production and components."

He also said Japan strongly calls upon "any country which, while being a party to the Nuclear Non-Proliferation Treaty, has not yet concluded a safeguard agreement with the International Atomic Energy Agency to do so without further delay."

Kaifu, Canadian Minister on Aid Coordination

OW1610045791 Tokyo KYODO in English 0407 GMT 16 Oct 91

[Text] Tokyo, Oct. 16 KYODO—Prime Minister Toshiki Kaifu and Canadian Finance Minister Don Mazankowski agreed Wednesday that leading economic powers should act in concert to aid the Soviet Union's ailing economy, a Foreign Ministry official said.

The Group of Seven (G-7) industrial countries need to "match their step and respond harmoniously on aid to the Soviet Union," Kaifu was quoted saying.

Mazankowski, in Tokyo on his way home after the G-7 meeting of finance ministers and central bankers in Bangkok, concurred, and explained Canada's plans to provide food and humanitarian aid, the official said.

The G-7 participants ended the three-day meeting Sunday with an agreement to dispatch their deputies to Moscow to further discuss assistance with economic experts there.

Earlier this month Japan pledged a 2.5 billion dollar aid package for Moscow, consisting of mostly trade and humanitarian assistance.

Trade Firm To Help Develop 'Major' Soviet Port

OW1410022591 Tokyo KYODO in English 0116 GMT 14 Oct 91

[Text] Tokyo, Oct. 14 KYODO—A Japanese trade institution will help develop the major far eastern Soviet port of Vanino under leadership of the private sector until government assistance begins, an official with the Japan-U.S.S.R. Trade Association said Monday.

The official said the association, composed mainly of medium-sized trading firms with business in the Soviet Union, is planning to provide know-how on distribution and to help organize facilities that can function as well as private companies. The Vanino project is expected to cost 1 billion dollars and an additional 500 million dollars will pay for improving the railway system between Vanino and Komsomolsk, an inland city.

The official said it is likely that the Soviets help will pay for the project through exports to Japan, including petroleum products and coal.

Prime Minister Toshiki Kaifu's cabinet earlier promised to give 2.5 billion dollars in emergency assistance to the Soviet Union.

Government Urges Burma To Free Nobel Recipient

OW1510091191 Tokyo KYODO in English 0859 GMT 15 Oct 91

[Text] Tokyo, Oct. 15 KYODO—Japan on Tuesday urged the military government of Myanmar to free opposition leader Aung San Suu Kyi from detention following her being named the recipient of the 1991 Nobel Peace Prize on Monday.

Chief Cabinet Secretary Misoji Sakamoto praised the nonviolent stance taken by the 46-year-old dissident who has been under house arrest since July 1989 and likened her to India's Mahatma Gandhi.

Sakamoto also said the Myanmar Government should open talks with opposition parties that will lead the way to democratic government in the southeast Asian country.

The Nobel Peace Prize "is significant because it signals to the Myanmar Government the mounting international interest in democratization," Sakamoto said.

But Sakamoto defended Japan's continued aid to Myanmar's military rulers, who have refused to hand over power since the opposition won a landslide victory in the general election held in May 1990.

Japan's top spokesman said "people would suffer" if aid to Myanmar was halted, forcing important projects to be abandoned in midstream.

Opponents of the government living abroad have called for the suspension of all economic aid, as well as trade and cultural ties, as a way of pressuring the Myanmar Government to honor the outcome of the general election.

Japan's aid to the Yangon Government consists of 15 ongoing loan projects worth a total of 95 billion yen. No fresh aid by Japan has been offered to Myanmar since 1988.

Payment Dispute Halts Bangladesh Project Funding

OW1410041191 Tokyo KYODO in English 0256 GMT 14 Oct 91

[Text] Tokyo, Oct. 14 KYODO—A 50 billion yen fertilizer project in Bangladesh has been suspended because the Bangladesh Government has refused to guarantee loan payments, a spokesman for Japan's Overseas Economic Cooperation Fund (OECF) said Monday.

He said the project came to a halt earlier this month with construction of a fertilizer plant suspended owing to some 5 billion yen in overdue payments owed to Chiyoda Corp., a Japanese contractor undertaking the project.

"We are paying close attention to the payment problem but have no plans to take action, including sending a negotiating team to Bangladesh," the spokesman said.

The dispute revolves around the terms of a contract on the project, which was initially agreed under then President Hossain Mohammed Ershad in the spring of last year.

Under the arrangement, Bangladesh was to pay for construction costs in export earnings from products made by the fertilizer plant by permitting foreign contractors to get the money first.

Ershad stepped down last December and Bangladesh is now reportedly complaining that the arrangement is unfair.

A second Japanese company, Marubeni Corp., is also involved in the project. The three Japanese concerns together have invested some 12 billion yen in the project through Kafco Japan Investment Co., which serves as a project organizer for the Japanese.

Environmental Agency Chief on 'Passive Diplomacy'

OW1110135791 Tokyo KYODO in English 1228 GMT 11 Oct 91

[Text] Tokyo, Oct. 11 KYODO—Global aid which is environment-friendly is the key to putting Japan's "passive diplomacy" into action, Kazuo Aichi, director general of the Environment Agency, said Friday.

Speaking at an international symposium on environmental and economic concerns in a Tokyo hotel, Aichi said considering the country's professed peace efforts, contributing to the global environment is the most suitable field to pursue.

Former Prime Minister Noboru Takeshita said he will host an international meeting in Tokyo next spring to discuss financial assistance to developing countries for environmental conservation.

Former British Prime Minister Margaret Thatcher, former World Bank President Robert McNamara, and former U.S. Federal Reserve Chairman Paul Volcker are among those scheduled to attend the meeting, Takeshita said.

Takeshita is a special adviser to the U.N. Conference on the Environment and Development (UNCED), known as the "earth summit," scheduled for next June 1-12 in Rio de Janeiro.

He said Japan must be more forthcoming in offering economic aid to developing nations as the United States did in offering it to Japan and Western Europe after World War II.

"The United States did what they should have done, as the country which enjoyed the largest trade surplus in the world at that time," he said.

He said the U.S. assistance to Japan in those days helped it to attain its current prosperity, and Japan, as the country enjoying the largest trade surplus now, should do likewise.

Counterproposal Offered to UN on Driftnet Ban

OW1210070891 Tokyo KYODO in English 0636 GMT 12 Oct 91

[Text] New York, Oct. 12 KYODO—The Japanese Government submitted a counterproposal to the United Nations on Friday opposing a U.S. proposal that would totally ban drift-net fishing on the open seas by the end of June 1992, according to U.N. diplomatic sources.

The move creates a direct confrontation between the two nations over the use of drift nets, and could develop into another source of economic friction between Japan and the United States, the sources said.

Japan is trying to get support for its position from each U.N. member country, much like the U.S. has been doing, the sources said. They added that the Japanese are trying to generate a demand for compromise on the issue from U.N. members.

The United Nations is more likely to have to choose either one proposal or the other, however, since the U.S. has a far more rigid stance on the issue than it did in 1989 when both nations' positions were hammered into a unified resolution, the diplomatic sources said.

Minor group countries backing the use of drift nets are sure to stand at bay on the issue, they said.

An international total ban on drift-net fishing, which primarily impacts harvesting of red cuttlefish and albacore, would affect the livelihood of some 15,000 Japanese fishermen, Japanese officials said.

Those fishermen would be forced to confine their fishing to Japan's territorial waters or would have to change jobs as the case may be, the officials said.

Nepal Appoints New Ambassador to Japan

OW1210171691 Tokyo KYODO in English 1538 GMT 12 Oct 91

[Text] Kathmandu, Oct. 13 KYODO—King Birendra of Nepal has appointed Bharat Prasad Dhital as Nepal's new ambassador to Japan, a Royal Palace announcement said Saturday.

Dhital earlier served as the vice chairman of Nepal's National Planning Commission.

Number of Foreign Residents Increases 9.2 Percent

OW1210094291 Tokyo KYODO in English 0851 GMT 12 Oct 91

[Text] Tokyo, Oct. 12 KYODO—Japan accepted a record 1,075,317 foreigners as foreign registrants living in Japan as of last December, according to a survey released by the Justice Ministry on Saturday.

The figure represented an increase of 9.2 percent over a year before or 65 percent over 1960.

The ratio of foreign registrants to the Japanese population, now placed at 123,610,000, was running at 0.87 percent, the highest since the ministry launched the survey more than 30 years ago.

The foreigners, broken into respective groups, consist of 924,560 Asians, up 3.7 percent from a year ago, 71,495 South Americans, more than three times as high as last year's total, 44,643 North Americans, up 4.2 percent, 25,563 Europeans, up 2.4 percent, 5,440 Oceanians, up 0.5 percent, 2,140 Africans, up 0.2 percent, and 1,476 non-nationals, up 0.1.

As for the foreigner's nationalities, North and South Korea claimed the top spot with 687,940 registrants, followed by China with 150,339, Brazil with 56,429, the Philippines with 49,092 and the Americans with 38,364.

The North and South Korean registrants accounted for 64 percent of registrants of all nationalities as of last December, down 22.7 percentage points from a figure recorded in 1969.

The number of the Brazilian registrants is more than 90 times higher than the 1969 figure of 622 and about 3.9 times larger than the 1990 figure of 14,528, the survey said.

Statistics show that Japan had 645,438 foreigners listed with permanent resident status, down 0.2 percent from a year before.

The survey said there were 130,218 foreigners, who married Japanese spouses, more than three times the figure of 41,264 recorded in 1986.

The ministry permitted 61,565 foreign registrants to work in Japan, up 24.7 percent over a year earlier, according to the survey.

A total of 48,715 foreign registrants studied various subjects in universities and other institutions in Japan, while 13,249 were trained in training centers, private companies and other organizations.

Government Approves Enforcement of Recycling

OW1410061091 Tokyo KYODO in English 0429 GMT 14 Oct 91

[Text] Tokyo, Oct. 14 KYODO—Senior government officials approved an enforcement ordinance Monday that will oblige three types of industries to use recycled materials, government officials said.

The approval came at a vice ministers' meeting and will be formally adopted at a cabinet session on Tuesday, they said. The law will take effect October 25.

The enforcement ordinance obliges three industries—the construction industry, paper manufacturers, and glasswork industry—to use recycled resources as part of their raw materials, the officials said.

The Ministry of International Trade and Industry and the Construction Ministry will be able to issue advice or instructions if they judge the rate of recycling to be too low, they said.

The government is planning to issue departmental orders setting the desirable recycling rate for the three industries by the time the law comes into effect.

The paper and glass manufacturing industries depend some 50 percent on recycled raw materials while the recycling rate for the construction industry is about 30 percent.

The ordinance urges the construction industry to recycle earth, sand, concrete, and asphalt, the officials said.

It also designates products such as cars, air conditioners, televisions, electric refrigerators, and electric washing machines as those which should use parts that can be easily reused and obliges the industries to make efforts to raise the recycling rate of the parts.

Cans containing drinks will have to have an indication of whether they are made of aluminum or steel to make it easier to collect them separately.

First-Half Fiscal Trade Surplus Up 38 Percent

OW1410082891 Tokyo KYODO in English 0735 GMT 14 Oct 91

[Text] Tokyo, Oct. 14 KYODO—Japan's trade surplus for the first half of fiscal 1991 soared 38 percent over a year earlier to 39.92 billion dollars, the Finance Ministry announced Monday.

Exports rose 9.8 percent to 153.79 billion dollars while imports grew 2.4 percent to 113.16 billion dollars.

Japan's surplus with the United States gained 2.8 percent to 17.46 billion dollars, the ministry said.

In September, it said, Japan's trade surplus jumped 41.7 percent to 9,757 million dollars, with exports rising 6.9 percent to 27,643 million dollars and imports decreasing 5.7 percent to 17,886 million dollars.

Reasons for Growth Analyzed

OW1410094391 Tokyo KYODO in English 0908 GMT 14 Oct 91

[Text] Tokyo, Oct. 14 KYODO—Japan's trade surplus set a new record in September, helping to swing the balance for the first half of a fiscal year into the plus column for the first time in three years, the Finance Ministry reported Monday.

The September surplus, measured on a customs-clearance basis, came to 9,757.4 million dollars, a 41.7 percent surge from 6,886.3 million dollars a year earlier.

The gap between exports and imports marked the ninth consecutive year-on-year gain, and exceeded the previous record of 9,716 million dollars recorded in December 1988.

This brought Japan's trade surplus in the April-September period to 39,920.3 million dollars, up 38.0 percent from the previous six months after the sustained shrinkage of the past two years.

September exports rose 6.9 percent to 27,643.9 million dollars, the 16th straight year-on-year advance, while imports dropped for the first time in five months, falling 5.7 percent to 17,886.5 million dollars.

The figures led ministry officials to say that Japan's trade surplus, under control over the past few years, is showing signs of a fresh trend.

They were also released just after the Group of Seven (G-7) industrial nations agreed to keep the yen strong to slim Japan's persistent trade surplus at their weekend meeting in Bangkok.

The surplus with the United States, Japan's harshest trade critic, posted the second consecutive monthly increase, growing 7.1 percent in September from a year earlier to 4,621.4 million dollars.

Japan also had a trade surplus of 2,755.3 million dollars with the European Community, up 35.7 percent, its 11th consecutive monthly growth.

The country's advantage with Asian countries also jumped 25.4 percent to 2,868.4 million dollars, the 19th year-on-year gain in a row.

Explaining the September surplus, a ministry official said exports were paced by the yen's sharp upswing against the U.S. dollar, which resulted in a higher value of Japanese exports in dollar terms.

The yen changed hands at 136.07 yen on average last month, a .8 percent appreciation from the year before.

The surplus was also widened by dwindling imports of paintings, gold, and other luxury goods due to the collapse of Japan's "bubble" economy and the decline in the value of crude oil imports which came in reaction to last year's surge in crude purchases in the wake of the Persian Gulf war, he said.

The official said these special factors have made him undecided about the outlook of Japan's trade balance.

But private-sector analysts voiced concern that the renewed upward trend in Japan's trade surplus is now assured and will be in place in the months to come.

Atsushi Miyawaki, a senior economist with the Japan Research Institute Ltd., said the September numbers convinced him that the Japanese economy, which has been led by domestic demand, is now becoming driven by external demand.

"Japan's trade surplus has moved into a phase where it cannot be attributed to only 'one-time factors,'" he said.

Particularly notable, he said, is the resurgence in Japan's trade imbalance with the United States, whose economy is undergoing a mild recovery and thus creating blossoming demand for Japanese products.

This came on top of the rapidly growing trade surplus with the EC, whose imports from Japan are robust due to strong demand in former East Germany, and the persistent imbalance with the maturing economies of Southeast Asia, where demand for Japanese capital goods is strong, he said.

When taking into account the yen's recent rise, which will make dollar-based Japanese exports more expensive, the country's trade surplus looks like it will grow further to around 90-100 billion dollars in calendar year 1991, Miyawaki predicted.

Masayuki Maenaka, an analyst with the Industrial Bank of Japan (IBJ), concurred with Miyawaki, forecasting that Japan's trade surplus will widen through the end of fiscal 1992, starting April 1, 1992.

But he disputed Miyawaki's view that the Japanese economy is now export-driven.

"It is too much to say that. The problem with Japan's trade front is slumping imports accompanying weakening domestic demand rather than surging exports," he said.

In the first half of fiscal 1991, Japan's exports increased 9.8 percent from the year-earlier levels to 153,079.9 million dollars, reflecting strong demand for Japanese cars and office equipment.

Imports climbed 2.4 percent to 113,159.6 million dollars, as purchases of liquefied petroleum gas (LPG) and steel more than offset decreasing imports of paintings and gold.

The surplus with the U.S., at 17,461.0 million dollars, posted a 4.5 percent decline, the fifth consecutive six-month period, but that with the 12-nation EC ballooned 57.6 percent to 13,359.0 million dollars.

Japan exported 16,643.4 million dollars worth more than it imported from Asian nations in the six months, which translates into a 31.7 percent growth in surplus on a year-on-year basis.

Sep Exports Up 14.3 Percent Over Previous Year

OW1410070891 Tokyo KYODO in English 0613 GMT 14 Oct 91

[Text] Tokyo, Oct. 14 KYODO—Japan's contract-based exports in September scored a double-digit increase from a year earlier, while imports continued to sag, the Ministry of International Trade and Industry (MITI) reported Monday.

Exports leapt 14.3 percent to 26.516 million U.S. dollars, and imports dropped 4.9 percent to 14,949 million dollars.

The September figures underscored a spreading view that Japan's trade surpluses, tamed in recent years, have resumed their upward trend.

Japan's trade surpluses were a major topic at the meeting in Bangkok of the Group of Seven (G-7) industrial nations over the weekend, where they agreed to keep the yen strong to trim the imbalances.

Exports to North America, in a turnabout from a 1.6 percent fall in August, rose a sharp 10.3 percent from a year earlier.

Exports to the European Community (EC), which has been increasingly frustrated with the rapidly growing bilateral trade gap with Japan, also surged 18.0 percent from the year-before level.

Imports declined from all regions except Southeast Asia, signaling that Japan's weakening domestic demand is diminishing imports.

September exports were driven by strong demand on overseas markets for Japanese cars, computers, and optical instruments, while sales of ships and videocassette recorders stagnated.

Pushing down imports were sluggish purchases of foodstuffs, crude oil, and cars.

Crude Steel Output Falls 2.1 Percent on Year

OW1410082991 Tokyo KYODO in English 0718 GMT 14 Oct 91

[Text] Tokyo, Oct. 14 KYODO—Japan's crude steel output fell 2.1 percent in September from a year earlier, marking a year-on-year decline for the second consecutive month, the Japan Iron and Steel Federation reported Monday.

Japanese steel manufacturers produced 8,883,000 tons of crude steel in the latest reporting month, down 1.5 percent from August and below the nine million ton mark for the first time since February, the report said.

Production per day, however, increased slightly to 296,000 tons from August's 291,000 tons, it said.

Of the total, crude steel made by using converters accounted for 6,126,000 tons, down 1.0 percent from a year earlier, and that produced by electric furnaces came to 2,757,000 tons, a 4.6 percent decline on year.

Production of ordinary rolled steel dropped 2.3 percent from a year before to 7,277,000 tons and specialty steel fell 1.6 percent to 1,606,000 tons.

The federation also reported that the nation's crude steel output for the July-September period decreased 1.0 percent from a year earlier to 27,136,000 tons, down 4.7 percent from the previous three-month period. The quarter-to-quarter decline is the first since the January-March period of 1989.

The output for the April-September period, however, increased 1.4 percent from a year before to 55,616,000 tons, it said.

North Korea

U.S. Strategy Called 'Adventurous Method of War'

SK1610112591 Pyongyang KCNA in English 0957 GMT 16 Oct 91

["New Adventurous War Strategy of U.S. Imperialism" —KCNA headline]

[Text] Pyongyang October 16 (KCNA)—Powell, chairman of the Joint Chiefs of Staff of the United States, speaking at a recent hearing on the compilation of the U.S. military budget for the fiscal 1992 which was held at a committee of the Congress, raved that the U.S. forces should be fully capable of fighting a "medium intensive war" like the Gulf War.

This is an open revelation of the fact that the United States is invariably pursuing its policy of military adventures, attaching great importance to its "medium intensive war" strategy, says NODONG SINMUN in a by-lined article today.

The article goes on:

The "medium intensive war" is a military doctrine for the strategy of "settlement of regional disputes" the U.S. imperialists are pursuing in the 1990's.

Namely, it is an adventurous method of war by which to carry out a blitz military operation by large armed forces in a certain area, particularly to mount a surprise large-scale military attack on the countries which they regard as "dangerous regional powers" and overpower them.

The dangerous nature of the "medium intensive war" doctrine is manifested in their attempts to remove independent countries, the countries which go against the grain with them one by one on the plea of "averting local crises" and "settling regional disputes," to spread the sphere of their domination all over the world and establish a "new world order" catering to their needs on the globe.

The U.S. imperialists are intending to found a large-scale "task force" whose basic mission it is to quickly react to "regional disputes" and "local crises."

One of its major operational tasks is reportedly to carry out a "medium intensive war."

What should not be overlooked is the fact that they are directing the spearhead of their "medium intensive war" strategy against the Korean peninsula.

The U.S. ruling quarters declared the Korean peninsula "the vast dangerous area of the world where a large full-blown local dispute may break out," blabbing that they would continue with the "forward deployment" of the U.S. forces and defend the "U.S. interests." This means that they will mass more and more mobile striking forces in this area and carry their wicked scheme for another war into practice on the Korean peninsula.

Facts show that the United States is rushing headlong along the road of new war under the cloak of "detente" and "peace."

'Anti-China Campaign' by U.S. Denounced

SK1210004791 Pyongyang Korean Central Broadcasting Network in Korean 0941 GMT 7 Oct 91

[Dialogue between Kim Song-mun and Kim Ho-sang, reporters for the Central Broadcasting Committee on the subject "The Imperialists' Anti-China Activities Are Doomed To Fail"—broadcast does not identify which reporter speaks first or second]

[Text] [First speaker] Now we would like to talk about the imperialists' ongoing anti-China activity. According to reports, anti-China activity continues in the United States. The anti-China campaign is, above all, concerned with Taiwan. As everyone knows, Taiwan is a province of the PRC and an inseparable territory of China, isn't it?

[Second speaker] Yes, it is. Based on its policy of one country, two systems, China has consistently called for the peaceful reunification of the country and is trying to make it happen. However, contrary to the Chinese people's desire, there are some who are shamelessly interfering in the issue of reunification, which is an internal affair of China. One of these is Lilley, former U.S. ambassador to China.

[First speaker] According to a RENMIN RIBAO report, while visiting Taiwan province, the former U.S. ambassador to China made remarks finding fault with the issue, which is completely an internal affair of China. James Lilley described the reunification formula put forth by the Chinese Government—one country, two systems—as one derived from arrogance. This is the big power attitude taken by those who are used to poking their noses into other's affairs.

[Second speaker] It is a way of life in the United States to judge. The former U.S. ambassador's outburst infringes gravely on China's sovereignty and territorial security. The main purpose of his outburst is to divide China permanently and to bring Taiwan under U.S. influence. It is quite natural that Lilley's recklessness should have been met with consistent denunciation of the 1.1 billion Chinese people.

[First speaker] Another feature of the United States' anti-China activities is that it is engaged in shameless sanctions against China. The U.S. authorities are making absurd assertions that China is trampling down human rights. They have been making these assertions very persistently in recent years. Whenever they did so, they made a farce of passing an amendment against China.

[Second speaker] They took various measures, including the amendment of sanctions against China. Whenever that happened, China expressed great indignation and denounced the United States' high-handedness in infringing on the basic principles of international relations and as wanton interference into their internal affairs. The position the Chinese authorities took is to defend their dignity and interests, which is totally just and proper.

[First speaker] As everyone knows, the United States has intensified its anti-China commotion since the summer of 1989. The United States used the counterrevolutionary riot in Beijing that China repressed as an excuse for the anti-China campaign, describing it as suppression of human rights. Since then the U.S. ruling circles have been conducting anti-China activity, placing so-called sanctions against China. Whenever that happened, China strongly demanded that the United States stop.

[Second speaker] However, the United States turned a deaf ear to it. The United States even conferred the so-called human rights award on the counterrevolutionary criminals who were sought by the Chinese public security ministry. A high ranking U.S. Government official in January last year made a silly remark that China should answer the questions about its human rights policy.

[First speaker] Certainly it was a silly remark. It is needless to reiterate that this U.S. action infringes on China's sovereignty and defiles China's dignity. The Chinese repression of counterrevolutionary riot in Beijing in June 1989 was not only an internal affair of China but was a just measure based on the Chinese Constitution and laws. It was a revolutionary measure to defend the security of the PRC and to maximize the gains of the revolution. Therefore, no one should dare to criticize it.

[Second speaker] Nevertheless, the United States continues to poke its nose into Chinese affairs, attempting to act as a so-called judge, often taking sanctions, and making silly criticisms. The reason the United States has been so persistently interfering in the Chinese affairs is clear: The United States does not want things done well in China. Therefore, the United States frequently criticizes China's internal affairs.

[First speaker] To take another example, the United States, finding its so-called human rights diplomacy against China failing to attain its anticipated objective, is putting economic and political pressure on the revolution and construction in China, attempting to create difficulties for them.

[Second speaker] The United States is maneuvering to obstruct the Chinese people's struggle to build socialism with Chinese characteristics. By so doing, the United States is attempting to weaken the position China holds in the socialist system at large and to bring China back to capitalism. After all, the United States intends to realize its antisocialist strategy.

[First speaker] However, the U.S. imperialists' anti-China activities are illusions that will never be realized. General Secretary Jiang Zemin and Premier Li Peng of China on a number of occasions, stressed that China will firmly adhere to the socialist road. China's RENMIN RIBAO also noted that the great historical trend of socialism replacing capitalism cannot be stopped by any force. As rightly noted by RENMIN RIBAO, that capitalism will perish and socialism will triumph is an inevitable historical trend, and no one can stop it.

[Second speaker] Of course, there can be some vicissitudes in the course of development, but it is the law of historical development that socialism will triumph. The U.S. attempt to block the Chinese people's vigorous advance and to bring China back to capitalism is an antihistorical and antipeople act. Therefore, it is evident that this act will fail.

[First speaker] The anti-China maneuvers conducted by the U.S. imperialists and other imperialists are so stupid that they are like an attempt to destroy a great wall of a castle with a scrambled egg.

[Second speaker] The Chinese people will never withdraw from the socialist road. They chose this road through their historical experience, which demonstrates its vitality more clearly in their actual life. They will struggle more resolutely against the United States, its cat's paws, and the imperialist reactionaries who are attempting to destroy socialist China.

Introduction of Patriot Missiles Condemned

SK1210054391 Pyongyang KCNA in English 0442 GMT 12 Oct 91

["Arms Buildup Under 'Nuclear Umbrella'"—KCNA headline]

[Text] Pyongyang October 12 (KCNA)—The No Tae-u group decided to introduce four sets of the "Patriot" missile launching equipment from the United States, saying the missiles "demonstrated their might in the Gulf war." MINJU CHOSON today brands this as one revealing the puppets' intention to stage a war on the Korean peninsula like in the Persian Gulf.

The news analyst says:

The decision is part of the arms buildup to get the upper hand in the skies. This tells that the provocation of war by the puppets is drawing near day by day.

The puppet defence minister once said he would "dispatch commandoes in order to surprise and destroy the atomic reactor facilities of the North" and that it is "desirable to choose military action to stop the nuclear programme of the North." This outburst just like a declaration of war was not a mistake in his speech. Military measures to put this bellicose outburst into practice are being taken in South Korea one after another.

Even the puppet combat ships infiltrated into the territorial waters of the northern half of the country, timed to coincide with frequent armed provocations in the demilitarized zone along the Military Demarcation Line. Although the traitor No Tae-u talked about "peace" and "military confidence" at the United Nations, this was a lie to conceal such sinister intention to provoke a war against the North.

A clear proof is that the puppets doggedly oppose the withdrawal of nuclear weapons, entreating the U.S. masters to protect them with a "nuclear umbrella."

The No Tae-u group must immediately stop the arms buildup which is made under the "nuclear umbrella."

Demand for Withdrawal of Nuclear Arms From South

SK1610065091 Pyongyang KCNA in English 0449 GMT 16 Oct 91

[Text] Pyongyang October 16 (KCNA)—NODONG SINMUN today comments on the fact that the United States has shelved the elimination of air-launched nuclear arms in South Korea.

The news analyst says:

This bespeaks that the proposed withdrawal of nuclear weapons from South Korea is not a comprehensive withdrawal but a partial and selected one. It means that the nuclear threat to the DPRK and the danger of a nuclear war on the Korean peninsula will still exist and Bush's short-range nuclear disarmament proposal is nothing but an empty talk without authenticity.

The news analyst further says:

The U.S. authorities, in bid to calm down public opinion at home and abroad calling for an immediate withdrawal of their nuclear weapons from South Korea and an end to the policy of nuclear blackmail and cover up their aggressive nature, had not admitted that nuclear weapons were deployed in South Korea. And they have asserted in a far-fetched way that the DPRK's signing of the nuclear safeguards accord is one thing and the withdrawal of their nuclear weapons from South Korea is another.

As Bush's nuclear disarmament proposal admitted the presence of U.S. nuclear weapons in South Korea and recognized the necessity of their withdrawal, it has become a stark fact that the DPRK's signing of the nuclear safeguards accord and the withdrawal of the U.S. nuclear weapons from South Korea are inseparably related to each other. It clearly shows the fairness of our proposal claiming that if the problem of the DPRK's signing of the nuclear safeguards accord is to be solved, the U.S. nuclear weapons should be withdrawn from South Korea and the U.S. nuclear threat to the DPRK be removed, and if the problem of nuclear inspection is to be settled, an inspection should be made for the North and the South simultaneously.

The U.S. nuclear weapons in South Korea are the root cause of the danger of a nuclear war on the Korean peninsula and the permanent threat to the Korean nation's rights to existence. If the United States wants to withdraw nuclear weapons from South Korea, it should do it from the ground, sea and air totally and completely and the nuclear threat to the DPRK should be removed virtually.

'Invincible' DPRK-PRC Friendship Extolled

SK1610090691 Pyongyang Korean Central Broadcasting Network in Korean 0007 GMT 15 Oct 91

[Unattributed talk: "Invincible Korean-Chinese Friendship Which Has a Long Historical Tradition"]

[Text] The great leader Comrade Kim Il-song stated: Korean-Chinese friendship has a long and deep historical root, and the annals of Korean-Chinese relations are filled with numerous emotional stories and beautiful episodes.

The Korean and Chinese people are intimate comrades-in-arms, genuine class brothers, and reliable allies who have for a long time shared the same fate along the common road of the difficult struggle for national liberation, class liberation, socialist revolution, and socialist construction. Korea and China are the closest neighbors sharing the same rivers and mountains, and Korean-Chinese friendship has a long and deep historical root.

The Korean and Chinese communists and people began to share the same destiny during the days when they were fighting against the Japanese imperialists, their common enemy. Our two countries' people fought together in China and Korea, sharing the same fate in the process.

During the period of the anti-Japanese revolutionary struggle, organized and led by the great leader Comrade Kim Il-song, the Korean communists and people helped in the Chinese people's struggle for national liberation with blood, and numerous Korean sons and daughters shed blood during the Chinese people's civil war.

In particular, during the period of the anti-Japanese revolutionary struggle, the great leader was the example for the activities of the united anti-imperialist front and led the guerrillas in the united anti-imperialist struggle. As a result, the anti-Japanese guerrillas fought against the brigandish Japanese imperialists anytime and anywhere along with the Chinese people, and the Chinese people, for their part, helped our anti-Japanese guerrillas as if our guerrillas were their blood relatives.

Around December 1936, an anti-Japanese guerrilla unit punished a Japanese sawmill owner who was mistreating Chinese workers, saw that the Chinese sawmill workers' demands were fulfilled, and led them to wage an anti-Japanese struggle. Shi Jiajiang, a Chinese living near Dunhua, sincerely took care of a guerrilla who was suffering from typhoid fever. There are numerous other beautiful stories involving the people of the two countries during the period of the anti-Japanese armed struggle. Korean-Chinese friendship was been further deepened by this process.

There are more beautiful stories on Korean-Chinese friendship forged in blood during the Fatherland Liberation War. The fraternal Chinese people courageously fought in Korea along with our people under the banner of resist America, aid Korea, safeguard the home, and defend the motherland. They loved and treasured every mountain, river, tree, and plant in Korea and fought for them, even risking their lives. The popular heroism of Huang Jiguang, who opened his unit's attack route by blocking enemy fire with his body; Sun Zhanyuan, who, when he ran out of bullets, rushed to the enemy camp carrying grenades and killed the enemy soldiers en masse; Yang Jiangshi, who crawled under a tank carrying ammunition and thus deterred an enemy attack; Ju Xuyu, who, even though his entire body was on fire from napalm bombs dropped by the U.S. imperialist enemy from the air, did not move, endured the pain, and met his heroic death because if he moved, his unit's location would be disclosed and because the operational plan would be frustrated as a result; the internationalist martyr Luo Shengjiao; and various other Chinese People's Volunteers soldiers still impress people even though many years have passed.

During those days of the fierce war, the people and armed forces of the two countries loved each other and vigorously demonstrated their beautiful tradition. Wherever the Chinese People's Volunteers [CPV] went, to the front or rear areas, they treated and helped our people and armed forces as if we were their blood relatives, and our people and People's Army warmly treated them as if they were our blood brothers and even risked their lives for them. Even after the Fatherland Liberation War ended in our people's brilliant victory, the CPV sincerely helped in our reconstruction.

During the long period of the joint struggle when they shared the same fate, the Korean and Chinese people became genuine class brothers and trustworthy revolutionary comrades-in-arms. Relations between the Korean and Chinese people have been consolidated over the long history, into invincible relations, which nothing can break.

Invincible Korean-Chinese friendship, which has a long historical tradition, is based upon comradely friendship and intimacy between the party and state leaders of the two countries. Without being tied to diplomatic usage or rules, the Korean and Chinese leaders have frequently visited and contacted each other, exchanged views, and cemented friendship and trust for a long time. From early days, the great leader Comrade Kim Il-song formed particularly intimate relations with Comrade Mao Zedong, the Chinese people's great leader; respected Comrade Zhou Enlai; and Comrade Deng Xiaoping and has consolidated friendly Korean-Chinese ties based upon these relations.

Even in recent years, the two countries' leaders frequently visited and contacted each other and thus consolidated a foundation for Korean-Chinese friendship, which is being strengthened and developed daily, and beautifully cultivated the flower garden of friendship.

The great leader Comrade Kim Il-song visited China on many occasions; the dear leader Comrade Kim Chong-il visited China; and Comrades Jiang Zemin, Yang Shangkun, and Li Peng visited our country. These visits are historic events that vigorously demonstrated the invincibility of friendship and unity between Korea and China to the world. In particular, the great leader Comrade Kim Il-song visited China again this time, met with General Secretary Comrade Jiang Zemin, President Yang Shangkun, and Premier Li Peng and received a warm welcome from the Chinese people. This again shows to the world that the invincible friendship between the Korean and Chinese peoples who are strongly defending the socialist banner is being further consolidated and becoming eternal and immortal as time goes by.

More fully developing the invincible Korean-Chinese friendship, which has a long historic tradition, is our people's unchanging will. Our people will also in the future resolutely fight shoulder to shoulder with the fraternal Chinese people for the victory of the socialist and communist cause and more beautifully cultivate the flowers of Korean-Chinese friendship.

'Indestructibility' of PRC-DPRK Friendship

SK1610050891 Pyongyang KCNA in English 0425 GMT 16 Oct 91

["Korea-China Friendship Will Be Everlasting, Says NODONG SINMUN"—KCNA headline]

[Text] Pyongyang October 16 (KCNA)—The successful visit to China by the great leader Comrade Kim Il-song again showed that the relations between Korea and China are not ordinary relations and they will be everlasting in the course of their efforts to attain common goal and ideal; says NODONG SINMUN in an editorial today.

The editorial reads in part:

The great leader Comrade Kim Il-song's visit to China this time was a historical event which strikingly demonstrated once again the solidity and indestructibility of the traditional Korea-China friendship and the unshakable will and faith of the parties and peoples of the two countries in the socialist cause and further consolidated and developed them to meet the requirements of the present development of the situation.

Comrade Kim Il-song has said:

"The Korea-China friendship is an indestructible friendship which was established with blood through the struggle to attain the common goal and ideal and has been consolidated through all trials".

The Korea-China friendship is a great friendship based on the deep and strong historical roots which were personally provided and cultivated by the great leader of the Korean people Comrade Kim Il- song and the great leader of the Chinese people Comrade Mao Zedong and respected Comrades Zhou Enlai and Deng Xiaoping. Today this traditional Korea-China friendship is continually growing stronger and developing on the basis of the intimacy growing deeper with every passing day between the leaders of the two countries.

The whole course of Comrade Kim Il-song's visit to China and the sincere and comradely talks between the leaders of the two countries and emotional meetings with many fraternal Chinese people clearly proved that the traditional Korea-China friendship is being cemented more firmly on the road of the struggle for the victory of the common cause of socialism.

Today the Korean and Chinese parties and peoples are striving to defend the revolutionary gains already won through their hard-fought struggle, bring earlier the victory of the socialist cause by bringing the advantages and vitality of their socialism into full play together and safeguard peace in Asia and the rest of the world.

The Chinese revolution which has been triumphantly started and developed by Comrades Mao Zedong, Zhou Enlai and Deng Xiaoping is being carried forward creditably by the Chinese leaders of new generation.

Our party and people express firm solidarity with the Communist Party and people of China in their struggle against the "two Chinas" plot and realize the reunification of the whole country on the principle of "one country, two systems."

Our people set greatest store by the Korea-China friendship which is constantly being consolidated and developed through visits and contacts between the leaders of the two countries and will glorify them down through generations.

Beijing Radio Cited on Sino-Korean Friendship

SK1610105491 Pyongyang KCNA in English 1004 GMT 16 Oct 91

[Text] Beijing October 14 (KCNA)—Radio Beijing of China October 14 aired an article headlined "China Visit of President Kim Il-song Will Further Promote Friendship, Solidarity and Cooperation Between China and Korea".

Noting that President Kim Il-song received warm and grand welcome from the Chinese party, government and people wherever he went during his stay in China, the radio said: During President Kim Il-song's stay in China General Secretary Jiang Zemin, President Yang Shangkun, Premier Li Peng and other leading cadres warmly met and had sincere talks with him.

The two sides in the meetings exchanged views on bilateral relations and international issues of mutual concern.

Saying that relations between the two parties and two countries of Korea and China are very good, President Kim Il-song highly estimated the Korea-China friendship.

Noting that the friendly relations between China and Korea are developing with every passing day, General Secretary Jiang Zemin said it is very important for the leaders of the two countries to often exchange views under the present international situation.

General Secretary Jiang Zemin reiterated that no matter how the international situation may change in the future, China will as ever make all efforts to continuously strengthen and develop the China-Korea friendship which was established and cultivated by President Kim Il-song together with Comrades Mao Zedong, Zhou Enlai and Deng Xiaoping and other veteran revolutionaries of China.

Referring to the question of Korea's reunification, President Kim Il-song reclarified the proposal for reunification by means of confederation based on one nation, one state, two systems and two governments, stressing that then there will not arise the question of one conquering the other.

General Secretary Jiang Zemin said China supports President Kim Il-song's proposal for realising the reunification through confederation.

The radio continued:

China and Korea are close neighbours which are linked by mountains and waters and in lips-and-teeth relations. Traditional deep friendship has been forged between the peoples of China and Korea. The Chinese peoples set great store by this friendship and will as ever strive to consolidate and develop this friendly relationship.

The satisfactory success made by President Kim Il-song in his visit this time will further promote solidarity, friendship and cooperation between China and Korea.

Party Secretary Meets XINHUA Official

SK1610103591 Pyongyang KCNA in English 1023 GMT 16 Oct 91

[Text] Pyongyang October 16 (KCNA)—Hwang Chang-yop, secretary of the C.C. [Central Committee], the Workers' Party of Korea, today met and conversed in a friendly atmosphere with the delegation of Chinese XINHUA News Agency led by its deputy director General Pang Bingan.

On hand was Han Song-pok, deputy director general of the Korean Central News Agency.

Soccer Team Departs for U.S.

SK1210133491 Pyongyang KCNA in English 1051 GMT 12 Oct 91

[Text] Pyongyang October 12 (KCNA)—A DPRK soccer team led by Yi Myong-song, vice-chairman of the State Commission of Physical Culture and Sports, left here today for the United States.

It was seen off at the airport by Choe Yong-hae, chairman of the Football Association of the DPRK and chairman of the Central Committee of the League of Socialist Working Youth, and Hwang Pong-yong, vice-chairman of the State Commission of Physical Culture and Sports.

Trade Representative Defects From South to North

SK1210104291 Pyongyang KCNA in English 1028 GMT 12 Oct 91

[Text] Pyongyang October 12 (KCNA)—Pom O-kyun, 36, who was trade representative of Yurim Company Ltd. in South Korea, defected to the northern half of Korea through a third country.

Hailing from Kwangju, he graduated from the Mokpo Maritime College, worked as mate and master of an oceangoing oil tanker for 10 years from 1977 and then trade representative of Yurim Company Ltd. from 1988.

His parents, brothers, wife and daughters are in South Korea at present.

Explaining the motive of his defection, he said the South is a society in which "the rich get richer and the poor poorer," in which it is hard for the honest-minded people to eke out a living. While reading books and data and hearing stories about the North, I came to cherish longing for the North, he said, adding:

I realized that the North which is under the guidance of respected President Kim Il-song and dear Mr. Kim Chong-il is, indeed, a true socialist society, and came over to the North through a third country with a view to working and living in this society of the North.

Commentary on No Tae-u's 'Divisionist' Measures

SK1310064391 Pyongyang Korean Central Broadcasting Network in Korean 1150 GMT 7 Oct 91

[Commentary by station commentator Yun Pyong-son: "Obstinacy by an Antireunification Element"]

[Text] The divisionist maneuvers by the South Korean puppets are getting more excessive day by day.

According to a report, on 4 October traitor No Tae-u met a bunch of people including cronies of the Democratic Liberal Party at Chongwadae and babbled that it is a fact that they cannot unilaterally revise the issue of the National Security Law. He said that they will deal with this matter by watching over the change in people's attitudes in the future, and so on. This is only to maintain the antidemocratic and antireunification National Security Law, and a vicious challenge to the people at home and abroad who demand the abolition of this evil law.

As everyone knows, the National Security Law, which regards the northern half of the Republic as the so-called antistate organization and the people of the northern half as enemies, considers any kind of exchange as well as dialogue and contact with fellow countrymen as criminal acts.

This evil law also punishes those who long for the North where fellow compatriots are living and those who read North publications, by regarding them as elements benefiting the enemy. It is all the more unnecessary to say that the South Korean people who enter the northern area are punished. Furthermore, the National Security Law prohibits contacts with each other in a third country or exchanging letters with each other as well.

According to this fascist evil law, figures who visited the North, including the Rev. Mun Ik-hwan and student Yim Su-kyong, are unfairly spending their lives behind bars, and many people who were calling for independence, democracy, and reunification are being dragged into prison and punished there.

Our country's reunification issue is to achieve great national unity through reconciliation and unity as fellow countrymen of the North and South. To achieve great national unity, we must remove all kinds of distrust which occurred due to the conflicting situation that lasts nearly half a century, and create an atmosphere of mutual understanding and trust. To do so, the people of the North and South should freely come and go and hold contacts and dialogues.

If the National Security Law, which regards fellow countrymen as enemies and punishes all of those who insist on dialogue and contact with the North, is left as it is, we cannot expect to achieve national reconciliation, unity, and the nation's peaceful reunification. Therefore, the broad masses of South Korea are strongly demanding the abolition of the National Security Law, a systematic barrier for reunification.

However, the stubbornness of traitor No Tae-u, stating that the National Security Law cannot be revised, means that he will continue to create barriers to achieving reunification in the future. Right at this time he revealed by himself that he is indeed a murderer of democracy and an enemy of reunification.

The filthy nature of the rascal as an antireunification element was also nakedly revealed in a meeting with the political prostitute, Kim Yong-sam, where he babbled that national views must be unified concerning North-South issues. He also said that this issue must not be used for political purposes because political factions are different, and so on.

As a life-or-death issue of the whole nation, reunification is a nationwide task where it is necessary for the whole nation to participate. Therefore, such logic that some will and some will not participate in the discussions to achieve reunification cannot be justified in any way.

The main body of reunification is the popular masses, and today the South Korean people have emerged as main forces who cannot be excluded in resolving the issue of reunification.

Nevertheless, for traitor No Tae-u to babble about a so-called unified national view, using the issue for political purposes, and so on, are nothing but tricks to monopolize discussions for reunification by the authorities themselves and to exclude opposition parties, dissident forces, and the popular masses from the discussions. This shows that the puppets have not yet freed themselves from their anachronistic way of thinking.

On 5 October, the puppet clique blocked the Konguk University student council representatives who were heading for Panmunjom with a list of those who were to visit the North, thus frustrating the work to visit the North by the Korean Language and Literature Department students of Konguk University, which was being promoted amid expectation and interest throughout the nation.

These facts clearly show that the No Tae-u ring are indeed vicious splittists who do not want national reconciliation, unity, and the nation's reunification, and that the nation's long-cherished desire for the nation's reunification cannot be realized if the rascals are left alone.

At a time when all the people of the North, South, and overseas are vigorously attempting to make 1995 the first year of reunification, the criminal maneuvers of the No Tae-u clique which is creating barriers cannot be forgiven in any way.

If all the people of the North, South, and overseas vigorously fight under the banner of great national unity, they will be able to crush the puppet clique's divisionist maneuvers and achieve without fail the historical cause of the reunification of the fatherland.

Central People's Committee Decrees Reported

SK1610072291

[Editorial Report] Following is a compilation of DPRK Central People's Committee [CPC] decrees read on Pyongyang Korean Central Broadcasting Network in Korean.

CPC decree dated 7 August and signed by DPRK President Kim Il-song: "Title of Guard Laureate" was conferred on the Pyongyang children's knitwear plant for the overfulfillment of its assigned production quota through "the consolidation of material and technological foundation of the plant and through the regularization and standardization of enterprise management." [Pyongyang Korean Central Broadcasting Network in Korean 1200 GMT 14 Aug 91]

CPC decree dated 7 August and signed by Kim Il-song: "Title of First Class Railway Honor Unit" was conferred on Pyongyang electric railway unit and "Title of Third Class Railway Honor Unit" was conferred on Sinuiju youth railway station and Komusan electric railway unit for the overfulfillment of their assigned plans through "the 5.18 no-accident, on-time, traction-standard-surpassing movement." [Pyongyang Korean Central Broadcasting Network in Korean 1200 GMT 1200 GMT 14 Aug 91]

Undated and unsigned CPC decree: "Title of DPRK Meritorious Locomotive Engineer" and "Order of Labor" were conferred on Kim Su-min, locomotive engineer at Chongjin locomotive unit; "Title of DPRK Meritorious Railway Repairman" and "Order of Labor" were conferred on Pak Won-sim, member of Chongju railway unit, and on Yu Pyong-u, platoon leader at Ichon railway unit; and "Title of DPRK Meritorious Railway Transportation Worker" and "Order of Labor" were conferred on Yi Ik-su, repairman at Chongju locomotive unit for their "great contributions to overfulfilling railway cargo transportation plans." [Pyongyang Korean Central Broadcasting Network in Korean 1200 GMT 14 Aut 91]

Undated and unsigned CPC decree: "Title of DPRK Memritorious Scientist" and "Order of Labor" were conferred on Kim Myong-suk, lecturer at the Great Study Hall of the People, for the "great contributions to developing the national economy through study and introduction of new science and technology." [Pyongyang Korean Central Broadcasting Network in Korean 1200 GMT 17 Aug 91]

Undated and unsigned CPC decree: "The Kim Il-song Youth Prize" was conferred on the primary committee of the Socialist Working Youth League [SWYL] of Pyongyang textile machine plant, the primary SWYL committee of the youth pit of the 8 February Chiktong youth coal mine, the primary SWYL committee of the general workshop at the second ore dressing site of the Komdok mine complex, and the primary SWYL committee of the fourth field of Musan mine complex for "the outstanding achievements of their assigned revolutionary tasks by inspiring SWYL members." [Pyongyang Korean Central Broadcasting Network in Korean 1200 GMT 25 Aug 91]

Undated and unsigned CPC decree: "The Kim Il-song Youth Prize" was conferred on the following people for their "model organized SWYL life": Chong To-myong, chairman of the primary SWYL committee of the 28 July ceramic plant; Pak Yong-chol, tunneling worker at Taeyang coal mine; Ho Yong-nam, chairman of the primary SWYL committee of Chonsong youth coal mine; Choe Yong-hui, hoisting machine operator at Choyang coal mine; An Chang-ho, chairman of the primary SWYL committee at Sinchon mine; Yi Hyong-man, forge worker at the steel workshop of Hwanghae iron and steel complex; So Sun-kum, worker at Munchon tire plant of Kangwon Province; Kim Ki-chol, coal cutting worker at the Tongil pit of Kowon coal mine; Hong Chun-hui, worker at the hydrochloric acid workshop of the 8 February vinalon complex; So Yong-sun, truck driver at the Unkwang brigade of Musan mine complex; Sin Hyong-chol, functionary at the SWYL committee of Hoeryong county, North Hamgyong Province; Pak Yong- chol, chairman of the primary SWYL committee at Kim Chong-suk Teachers' College; Kim Chong-ho, tunneling worker at the survey unit of Hyesan youth mine; Kim Kum-sun, spooling worker at Kaesong textile plant; Kim Yong-il, chairman of the primary SWYL committee of the general cutting shop at Taean heavy machine complex; and Kung Nong-su), chairman of the primary SWYL committee at the Kaechon train crew unit of the Kaechon railway general bureau. [Pyongyang Korean Central Broadcasting Network in Korean 1200 GMT 25 Aug 91]

Undated and unsigned CPC Decree: "Title of DPRK Meritorious Physical Educator" and "Order of Labor" were conferred on Kim Yong-chol, athletics teacher at Sinyang senior middle school in Sinyang County, South Pyongan Province for his "contributions to developing physical education for students at his school." [Pyongyang Korean Central Broadcasting Network in Korean 1300 GMT 27 Aug 91]

CPC decree dated 21 August and signed by DPRK President Kim Il-song: "Title of Model District for City Management" was awarded to Taedonggang-kuyok [district] of Pyongyang City for its model "in providing residents with cultural living conditions and circumstance by improving city management work." [Pyongyang Korean Central Broadcasting Network in Korean 1200 GMT 29 Aug 91]

Undated and unsigned CPC decree: "Title of DPRK Meritorious City Management Worker" and "Order of Labor" were conferred on Comrade Yi Ok-sil, chief of the work team at the urban facility management station of Taedonggang-kuyok in Pyongyang, for her "great contributions" to providing outstanding living circumstances to residents" in the district. [Pyongyang Korean Central Broadcasting Network in Korean 1200 GMT 29 Aug 91]

CPC decree dated 21 Aug and signed by DPRK President Kim Il-song: "Title of DPRK Labor Hero" and "Gold Medal, Hammer, Sickle, and Order of National Flag First Class" were conferred on Comrade Chon Yi-song, truck driver at Musan mine complex, for "his great contributions to overfulfilling the mine transport quota every year" by properly managing trucks and by increasing the rate of their utilization. [Pyongyang Korean Central Broadcasting Network in Korean 1200 GMT 30 Aug 91]

Undated and unsigned CPC decree: "Title of Meritorious Miner" was conferred on Chon Chang-son, a platoon leader at Musan mine complex and Han Ung-hyon, tunneling worker at Musan mine complex, for their "great contributions to developing the medal industry of the country by increasing the production of iron ore." [Pyongyang Korean Central Broadcasting Network in Korean 1200 GMT 30 Aug 91]

CPC decree dated 28 Aug and signed by DPRK President Kim Il-song: "Title of Model Education District [kuyok]" was awarded to the Pohang District of Chongjin City, North Hamgyong Province for its "contributions to fostering students into revoutionary persons who are loyal to the party and who are prepared mentally, morally, and physically" by enhancing the teachers' sense of responsibility and by strengthening education at the school. [Pyongyang Korean Central Broadcasting Network in Korean 2100 GMT 7 Sep 91]

Undated and unsigned CPC decree: "Title of DPRK Meritorious Teacher" and "Order of Labor" were conferred on Comrade Yi Sung-kun, schoolmaster of Pohang people's school in Chongjin City, North Hamgyong Province, and Comrade Chang Ki-chang, teacher at Namyang senior middle school in Chongjin City, for their "great contributions to fostering students into revolutionary persons of chuche type" by constantly improving the content and method of education in conformity with the demands of the developing reality. [Pyongyang Korean Central Broadcasting Network in Korean 2100 GMT 7 Sep 91]

CPC decree dated 4 Sep and signed by President Kim Il-song: "Titles of DPRK People's Artist and People's Actor" and "Order of National Flag First Class" were conferred on the following artists belonging to the Sea of Blood Opera Troupe for their achievements in creating and performing various works from literature and art, including the revolutionary opera "Sea of Blood," to indoctrinate party members and the working people in a revolutionary manner.

"Title of DPRK People's Artist" and "Order of National Flag First Class" conferred on Yi Chin-su, conductor of the "Sea of Blood" Opera Troupe; Pak Mu-chun, composer of the "Sea of Blood" Opera Troupe; and Kim Hye-chun, dance director of the "Sea of Blood" Opera Troupe.

"Title of DPRK People's Actor" and "Order of National Flag First Class" conferred on Kim Ui-yong, vocalist-performer of the "Sea of Blood" Opera Troupe. [Pyongyang Korean Central Broadcasting Network in Korean 1200 GMT 11 Sep 91]

Undated and unsigned CPC dedree: "Title of DPRK Meritorious Artist and Meritorious Actor" and "Order of Labor" were conferred on the following persons.

"Title of DPRK Meritorious Artist" and "Order of Labor" conferred on Pak Chin-u, first deputy (?manager) [il puchongjang] of the "Sea of Blood" Opera Troupe; Kim Ki-myong, composer of the "Sea of Blood" Opera Troupe; Yi Chun-sang, composer of the "Sea of Blood" Opera Troupe; and Kim Yong-tok, conductor of the "Sea of Blood" Opera Troupe.

"Title of DPRK Meritorious Actor" and "Order of Labor" on Pak Song-ae, actress of the "Sea of Blood" Opera Troupe; Kim Mun-hwa, actor of the "Sea of Blood" Opera Troupe; Chon Sun-ok, actress of the "Sea of Blood" Opera Troupe; Song Si-sun, actress of the "Sea of Blood" Opera Troupe. [Pyongyang Korean Central Broadcasting Network in Korean 1200 GMT 11 Sep 91]

CPC decree dated 18 Sep and signed by President Kim Il-song: "Title of Model District of the Production of 3 August People's Consumer Goods" was awarded to Sadong-kuyok [district] of Pyongyang for its achievements in the struggle to increase the production of 3 August people's consumer goods. [Pyongyang Korean Central Broadcasting Network in Korean 1200 GMT 26 Sep 91]

Undated and unsigned CPC decree: "Title of Kim Il-song Youth Prize" was conferred on Pak Chol, chairman of the primary committee of the Socialist Working Youth League [SWYL] at Munmuri Mine, for his achievements in indoctrination work among of SWYL members. [Pyongyang Korean Central Broadcasting Network in Korean 1200 GMT 26 SEp 91]

CPC decree dated 8 August and signed by CPC: "The Red Flag of the Double Three Revolutions" and "The Red Flag of the Three Revolutions" were conferred on the following model units for their contributions to accelerating socialist construction.

"The Red Flag of the Double Three Revolutions" was awarded to the 1st coal cutting company of the 6th pit of the 8 February Chiktong youth coal mine under the Sunchon district coal complex; the rolling work team of the lst shift team of the thin plate workshop in Hwanghae iron and steel complex.

"The Red Flag of the Three Revolutions" was awarded to the youth work team of the lst workshop of the building construction station of Pyongyang, the 2d work team of the (?disposal) workshop of Pyongyang's Nangnang paper plant, the (?oil refinery) work team of the fish oil workshop of the Yongsong fish processing plant, the 2d work team of the 2d workshop of Pyongyang [word indistinct] production cooperative, the daily necessities work team of the Kangdong tire plant in Pyongyang, the tunneling platoon of the 3d and 4th pits of Sochang youth coal mine under Tochon District coal mine complex, the survey company of the Kaechon District geological survey unit under the Kaechon District coal mine complex, the 3d work team of the generator workshop of the Taedonggang power plant complex, the survey company of the Songchon geological survey unit of South Pyongan Province, the 1st production work team of Yonghung County clothing plant in South Pyongan Province, the bivouac center of the historic site of the revolution in Kunja, the 2d press work team of the [word indistinct] molten iron press workshop of the electric machine plant in Taean heavy machine complex, the large-type work team of the transformer construction workshop in Taean haevy machine complex, the [words indistinct] of the electric machine plant in Taean heavy machine complex, the wire drawing work team of the wire drawing workshop of Kangson rolling plant in Nampo, the survey company of the general coal survey unit, the lithoprinting work team of North Pyongan printing plant, the casting work team of the Kusong City daily necessities plant of North Pyongan Province, the tablet work team of Sinuiju pharmaceutical plant, the 1st fishing work team of the September fishery cooperative, the processing work team of the repair workshop of the farm machinery station of Kangyong county of South Hwanghae Province, the (?Changguk) work team of the (?Yanggye) workshop of the irrigation management station in Chaeryong District of South Hwanghae Province, the internal treatment department of the South Hwanghae Provincial people's hospital, the Yongkwang work team of the Haeju service cooperative in Haeju City of South Hwanghae Province, the 1st work team of the facility assembly workshop of the construction and maintnance station of Hwanghae iron and steel complex, the 1st work team of the finishing workshop of the disabled veteran sewing plant in Sariwon, the animal breeding work team of the pig breeding farm of Onpa County in North Hwanghae Province, the tunneling company of the youth pit of Munchon coal mine under the (?Chunnae) District coal mine complex, the finishing work team of the press workshop of the Wonsan motor plant, the agricultural science department of Wonsan Agriculture College, the x-ray department of the Kangwon people's provincial hospital, the Chongpyong pottery plant in Chongpyong County of South Hamgyong Province, the transportation workshop of the Hungnam maritime transportation station, the publishing house of the [word indistinct], the 1st coal cutting company of the Toksin pit of the Ilsin coal mine under the General Bureau of the Northern District Coal Industry, the [words indistinct] of the steel workshop of Songjin steel complex, the 2d pipe making work team of the 1st pipe making workshop of the Kim Chaek iron complex; the 1st work team of the daily necessities workshop of Chongjin chemical fiber complex, the 7th work team of the Yongkwang branch of the state-run 20 March orchard farm, the 5th work team of the (?Kunko) workshop under the Hyesan daily necessities plant in Yanggang Province, the general store of the Hyesan youth mine under the industrial mine complex of Yanggang Province, the animal breeding work team of Panmun County cooperative farm in Kaesong City, the animal breeding work team of Nampo cooperative farm in Kaepung County of Kaesong City, the engineering and maintenance company of the Wonsan railway construction brigade under the Ministry of Railways, the cargo transportation work team of (?Panju) railway station of the General Bureau of Northern District Railways under the Ministry of Railways, the Central control room of Hamhung cement complex, and the 1st firing section of the National Defense Athletic Group. [Pyongyang Korean Central Broadcasting Network in Korean 1300 GMT 10 Oct 91]

CPC decree dated 8 Oct and signed by the CPC: "Double Honorable Red Flag and Honorable Red Flag" and "Order of National Flag First Class" were awarded to the following schools for their outstanding achievements in education:

"Double Honorable Red Flag" awarded to the Namu senior middle school in Waudo District of Nampo City and the Sunam people's school in Sunam District of Chongjin City in North Hamgyong Province.

"Honorable Red Flag" and "Order of National Flag First Class" awarded to the (?Sinmyong) people's school in Pyongyang, the (?Taehyon) people's school in Pyongyang, the (?Untok) senior middle school in Tokchon City of South Pyongan Province, the 1st Nampo senior middle school in Nampo, the (?Osan) senior middle school in Nampo City, the Kangso people's school in Kangso District of Nampo City, the (?Samkyo) senior middle school in the southern district of Sinuiju City, the Uiju people's school in Uiju County of North Pyongan Province, the Chaeryong senior middle school in Munchon City of Kangwon Province, the (?Owang) senior middle school in Simpo City of South Hamgyong Province, the Kilju people's school in Kilju of North Hamgyong Province, the Munhwa senior middle school in Kaepung County of Kaesong City, and the Wolsong senior middle school in Panmun County of Kaesong City. [Pyongyang Korean Central Broadcasting Network in Korean 1300 GMT 10 Oct 91)

Editorial Hails Workers Party Anniversary

SK1310220891 Pyongyang Korean Central Broadcasting Network in Korean 0000 GMT 10 Oct 91

[NODONG SINMUN 10 October editorial: "Let Us Further Glorify the Popular Masses-Centered Socialism of Our Own Style, Following the Party's Banner"]

[Text] Forty-six years have passed since the Workers Party of Korea [WPK], the organizer and guide of all victories of our people, announced its founding to the world. Our party, which has traversed the arduous but glorious road of struggle for a long time, is today leading with certainty the destiny of the fatherland and the people along the single road of victory, firmly standing at the center of the revolutionary movement.

Our people's absolute trust in their glorious party has been enhanced more than ever before. Vigorously continuing to advance along the road of socialism under the party's leadership, upholding the great founder of the party and the tested leader [yongdoja] at the head of the party, are precisly our people's infinite glory and happiness. Today, our party members and people significantly greet the felicitous party founding anniversary with the firm determination to expedite the complete victory of socialism and national reunification under the party's leadership, overflowing with revolutionary confidence and pride and looking forward to a brighter future.

Our party has a long history. Although 46 years have passed since our party was founded, in fact, over 60 years have passed since it took its historic roots. Already in his early days, the great leader Comrade Kim Il-song waged energetic struggles with the far-sighted plan of building a revolutionry party and, thus, organized the Down-With-Imperialism Union. Following this, the great leader built a party organization for the first time and provided our party's deep and strong roots amid the flames of the arduous anti-Japanese revolutionary struggle. This became a firm foundation in founding our party and has now become the firm cornerstone for the ages and the eternal, historic source for the consolidation and development of our party and for the victory of the revolution.

The founding of the party by the great leader Comrade Kim Il-song was an historic event that caused a fundamental change in our people's social and political life and in the development of our revolution. With the founding of the party, our people have become the dignified independent people who, as the masters of their destinies, have victoriously traversed the creative and unique path leading to socialism with the mighty political general staff. The era of the Workers Party, an era of rewarding struggle and innovative change, has unfolded on the territory of the fatherland.

The history and gains of the Korean revolution, which has continued a long drive while breaking through multilayered barriers and trials, and the lofty prestige and dignity of our fatherland, which is displaying our nation's wisdom and honor, are closely related to this precise historic founding day of our party. The history of our people's revolutionary struggle ever since the party was founded has been the course in which by strengthening the party and by enhancing its leading role, great victories have been won in all fields of the accomplishment of the socialist cause. Thus, the immortal achievements—which will be recorded forever in the history of the fatherland—have been registered.

We are particularly proud in recalling the path that we have traversed and in anticipating the path that we should traverse that we have given preference to solving the key issue of strengthening the party and thoroughly embodying its leadership. This has been done to advance the revolution and work out the people's destiny. This is the basic secret of our people's boundless might and invincibility and all their victories.

Comrade Kim Chong-il, member of the Presidium of the Political Bureau of the WPK Central Committee and secretary of the party Central Committee, has indicated: Our party has concentrated great efforts on strengthening the party and on enhancing its leading role ever since the first day of its founding. Thus, our party has been strengthened and developed into a victorious and invincible combat unit. Our people have been able to achieve great victories in the revolution and construction under the party's leadership.

The party of the working class is the general staff of the revolution, and the party's leadership is the decisive condition which determines the revolution's success. If the working class and other working masses of people are to struggle as an organized unit and with scientific theories, strategies, and tactics, they should have their party and should be blessed with the party's leadership. When they neglect the work of strengthening the party and upholding its leadership, they cannot win victory in the struggle against the counterrevolutionary forces nor can they carry out the cause for a new life and a new society.

The lifeline of the socialist cause is none other than the party's leadership. Proceeding from the demands of the chuche idea, the principles of the revolutionary movement, and its experience in history, our party has considered it a consistent principle to strengthen itself, to thoroughly embody its leadership, and, thus, to advance the revolutionary struggle and construction. Thus, our party has struggled for this principle. In particular, whenever heavy and broad tasks have arisen before the revolution, difficulties have been created, and a difficult and unfavorable situation has prevailed, our party has concentrated greater efforts on consolidating itself organizationally and ideologically and strengthening its leadership.

In the period right after national liberation, when we had to traverse the road of the first voyage for building a new fatherland amid the contemporary complicated internal and external situation, our party was able to qualitatively consolidate its ranks by organizationally and ideologically strengthening itself. The party developed into the vanguard organization for the masses and successfully carried out all of its assigned tasks by enhancing its leadership ability.

When our country was at risk because of the U.S. imperialists' invasion, our party strengthened, first of all, the party and firmly rallied all the people around it. Our party was thereby able to smash the numerical and technological superiority of the enemies with its political and ideological superiority. Thus, our party honorably defended the country's freedom and independence. In the grim postwar period, too, by taking epochal measures to strengthen the party under the banner of chuche, our party strengthened its unity and cohesion and saw to it that a great upsurge of Chollima was unfolded in socialist construction.

By strengthening the party and by upholding its leadership, at every stage of trials we were able to turn adversity into prosperity and to turn a difficult situation into the occasion for a turnabout for winning a great victory and amazing the people of the world.

Our people successfully carried out the difficult and complicated task of building a new democratic Korea in the past, won the victory in the Fatherland Liberation War, and, in the postwar period, eliminated the injury of the war and built a socialist country of self-dependence, self-support, and self-reliant defense in a short period of time. Also, today our people are greatly enhancing the superiority of the popular masses-centered socialism of our own style under the banner of the chuche idea in the face of the imperialists' maneuvers against socialism and the Republic, maneuvers that have become more unscrupulous. This is because our party is powerful and because all of the people are loyal to its leadership.

Only when the party is sound and powerful and when the people uphold the party's leadership can everything be ever-victorious and can the revolutionary struggle and construction be vigorously pushed ahead under any difficult circumstances. This is the noble truth that has been proven by the practice of our revolution.

The history of our party's struggle, which has strengthened the party and exercised its leadership, shines as the course in which the party's unitary ideological system has been firmly established. Based on this, singlehearted unity has been achieved. The basic requirement for strengthening the party and for exercising its leadership is to dye the entire party with one ideology. This is the inevitable demand in building the party of the working class.

The party's unitary ideological system is synonymous with the leader's ideological system and with his leadership system. As the chuche idea elucidates, the leader of the working class is not an individual but a class representative. He plays a decisive role in working out the destiny of social groups and in performing the historical mission of the working class. The leader is the center of the social and political organism and is its brain. In the social and political organism, only when unity of ideology and leadership is guaranteed can the singlehearted unity of the leader, the party, and the masses be achieved and the destiny of this singlehearted unity be brilliantly worked out.

Our party has grasped the establishment of the unitary ideological system as the basic line for party building and has thoroughly embodied this line in conformity with the demands of the developing revolution. The course in which our party was founded and has been strengthened and developed has been a course in which the work of establishing the party's unitary ideological system has been deepened and in which the entire party and all of the people have been firmly combined into one social and political organism with the party Central Committee headed by the respected and beloved leader Comrade Kim Il-song as the center.

Today, our party members have firmly armed themselves with the chuche idea and are firmly united because of this idea. Any different ideologies contrary to the chuche idea cannot infiltrate into our party. Cadres and party members have thoroughly established a revolutionary view of chuche and cherished in their hearts loyalty to the party and the leader as their firm faith. Thus, they are filled with the firm determination to share their destinies with the party and to firmly defend the party's unity and cohesion under all circumstances.

Only when the party's unitary ideological system is firmly established can the genuine vanguard that embodies the inherent nature of the revolutionary party of the working class be built and can the revolutionary cause be carried out successfully. This is the precious historic conclusion of our experiences attained in party building and party activity

The history of our party's struggle in strengthening itself and in exercising its leadership is also precisely the history in which the party has taken deep roots among the broad segments of the masses, including workers, peasants, and working intellectuals, and formed a perfect whole with the popular masses.

The party's invincibility and the guarantee for revolutionary leadership lie in complete unity with the masses. If the party receives absolute support and trust from the popular masses and unites with them, there is nothing to fear and no problem that cannot be solved.

In response to the demand of the new era in which the popular masses have emerged on the stage of history as the masters of their own destinies and with the view that the party occupies a pivotal position among the revolution's main forces, our party has taken two actions. On the one hand, it has built itself into a popular party representing progressive elements including workers, peasants, and working intellectuals, and, on the other hand, has carried out the work with the masses from all social strata well, thus deepening the blood-tied relations with the popular masses.

Ties with the popular masses are formed and consolidated when the party goes among them, thoroughly advocates their interests, and faithfully serves them.

Our party is setting the unity between the its leadership and the revolutionary mass line as the fundamental source of its activities. Our party is realizing its leadership in accordance with the demand and intention of the popular masses; has made every effort so that the people can truly uphold its leadership; put forth the revolutionary slogan of "Serving the people"; and is making all the functionaries struggle devotedly for the people. This is a factor in achieving complete unity between the party and the masses and in allowing the masses to accept and embody the party's demands as their own.

The party believes that the popular masses are always the root of its life and the infinite source of might and is struggling in conformity with the popular masses. The people believe that the party is their heart and supreme brain and that no power can smash the blood-tied relations in which they share the same fate as the party. This kind of complete unity is a proud trait that can be found only in our country.

Our party is adhering to its revolutionary position and realizing the socialist cause amid the historical chaos of today without the slightest wavering. This is because the party's ranks are not only consolidated infinitely but because the party is also deeply rooted in the masses and is receiving their absolute support.

The work to strengthen the party and to realize its leadership is guaranteed according to the party's organizational spirit and disciplinary character.

The working-class party is a militant unit leading the intense class struggle and a general staff organizing and leading the revolution and construction by finding a way out of the multilayered barriers and trials.

The party cannot carry out its leadership role and cannot maintain even its existence without a strong organizational spirit and disciplinary character. By trying to embody the principle of democratic centralism in the party construction and party activities, our party is thoroughly guaranteeing democracy under the principle of giving priority to centralism.

Democracy is being sufficiently displayed within our party, and discipline in every aspect is being thoroughly observed, based on the high political awareness and enthusiasm of the party members and the masses. Therefore, along with the unity of ideology, the unity of leadership is being firmly guaranteed in our party.

The fact that the outlook of the party organization by the party members is being enhanced; that everyone lives in accordance with the party organization; and that a strong organizational discipline in which everyone moves as one under the monolithic leadership of the party center is established—all are manifestations of our party's might and leadership role, possessed with militant vigor and iron-willed organizing ability.

The history of our party in which it has been strengthened and its leadership has been realized is embroidered in adhering to the work with people as its basis and in the struggle to correctly guarantee its guidance.

The party is society's guiding political organization and a core guiding force of the popular masses themselves. Therefore, the party must adhere to working with the people as its basis and must strengthen its guidance.

Based on the chuche idea, our party advanced a new principle that the work with the people is a basis of the party work and that fulfilling the duty as the mother party responsible for the fate of the popular masses is to ceaselessly strengthen its guidance. Also our party made it possible to establish a revolutionary party work method and party work system in accordance with the nature of the chuche-type party. Therefore, the popular masses were put in the forefront as the center of all party activities, and the overall party work was made into an organizational political work so that all the people can enjoy a worthwhile and happy life as social beings. Also, the old work method was overcome, and the party-type political method and party work system based on the work with people were firmly established.

A traditional work method of our party created by the great leader is the work method in the manner of the anti-Japanese guerrillas and in the Chongsan-ri spirit and Chongsan-ri method, which were intensified and developed by the party. This closely combines guidance and the masses, thus becoming the most mighty revolutionary method in displaying to the utmost the masses' potentials.

In our country the main force of the revolution is being extraordinarily strengthened , and socialist construction is being successfully promoted. This clearly shows that for the party to adhere to the work with people as its basis and the road in realizing its political guidance are just in vigorously pushing ahead with the revolution and construction by enhancing the people's militant might and leadership role.

Our party's consistent line, which is to strengthen the party and enhance its leadership role to carry out revolutionary struggle and construction work with the might of chuche, is a truly just and wise line and a great line promising our people an ultimate victory in the revolution and a bright future with today's victory and honor. The firm will of our party and people to adhere to this line and to complete to the end the revolutionary party building cause and the socialist cause cannot be disturbed in any way.

Our people were able to strengthen the party and enhance its leadership role according to the unique road to successfully carry out the socialist cause. This is due to highly upholding the outstanding ideological theorist and politician, the great leader, at the top position of the party.

Under the banner of the chuche idea, the respected and beloved leader Comrade Kim Il-song created a new type of working-class party and a chuche-type revolutionary party; newly elucidated the party's position and role; and strengthened the party's militant might and leadership role, thus setting a strategic task to carry out the socialist and communist cause. Also, he strengthened the party based on the chuche-type party building principle; explained all theoretical and practical issues that are put forth in enhancing the party's leadership role; and concentrated all of his efforts and energy to vigorously carry out the struggle to resolve all issues.

Dear leader Comrade Kim Chong-il, who is brilliantly carrying on the chuche-type party building cause, is intensifying and developing the chuche-type party building theory in accordance with the developing demand of the party and revolution to model the whole party and society after the chuche idea. He is leading in strengthening in every way our party's militant might and leadership.

The firm determination of the party center to lead our party by highly upholding the respected and beloved leader and to complete to the end the chuche revolutionary cause by overcoming any hardships and trials by uniting all the people around the party, are making it possible to further unfold a bright future in strengthening and developing the party and in the road of socialist construction.

Our party is being regarded as an unparalleled great party in its organizational and ideological solidity, militant might, and mature and lofty leadership of the revolution and construction.

Our party's ideological theory and leadership in strengthening the party and enhancing its leadership role are a mighty weapon in leading the revolutionary cause of the working class to the one road of victory and a source of our everlasting victory and prosperity. The significance and transforming role of this great ideological theory will be further increased amid victorious advance in the revolutionary cause of the working class.

At this time, our people face an important task of vigorously accelerating the revolution and construction under the leadership of the party to complete the socialist cause and to achieve ahead of schedule the fatherland's independent and peaceful reunification.

The great leader Comrade Kim Il-song has taught: To successfully implement revolutionary tasks put before us, our party must be further strengthened and its leadership role must be enhanced infinitely.

Strengthening the party and enhancing its leadership role are a fundamental method for highly manifesting the might of chuche and a decisive guarantee in the socialist victory.

To implement tasks put before us and to complete the socialist cause, the first, second, and third priorities are all to strengthen our party and enhance its leadership role.

What is most important in strengthening and developing our party is to thoroughly adhere to the party's characteristics. The party's characteristics are a fundamental issue linked to the party's existence and the fate of the revolution.

Our party is a chuche-type party that was created and carried out activities based on the chuche idea, and the chuche idea is the life of our party. Since our party firmly adhered to the chuche idea, our party was able to victoriously lead the revolution by pioneering the most correct road without any hardships and trials in the revolutionary party building in our party's era of independence.

All the party members and workers must firmly arm themselves with the chuche idea, firmly establish a chuche-type revolutionary world view, and further thoroughly establish the chuche idea system throughout the whole party and society. By doing so, our party must be made into a monolithic body of ideological will of the chuche-type communist revolutionaries, and our society must be made into a pure society where only the chuche idea is overflowing.

The party's revolutionary nature is guaranteed by its nature of inheritance. We must cherish deep in our hearts the honor and pride of carrying out the revolution under the great party's leadership, firmly establish a revolutionary view of the leader, eternally uphold the respected and beloved leader Comrade Kim Il-song as the great leader and father, and purely preserve and glorify the immortal tradition and achievements created by the respected and beloved leader.

Just like our patriotic anti-Japanese forefathers, all the party members and workers must be boundlessly loyal to the respected and beloved leader with an immaculately clean conscience and must vigorously wage a struggle to inherit and complete our party's cause, which was cultivated in the forests of Paektu. Also, to firmly guarantee the nature of inheritance in developing our party, they must be single-mindedly united around the party center and loyally follow the party's leadership based on a revolutionary belief and obligation.

We must resolutely defend and implement the chuche-oriented party building theory to strengthen the party and enhance its leadership role. We must thoroughly implement the chuche-oriented party building principles, whose truth and vitality have been proven in practice. We must improve and strengthen the party's organizational and ideological work in response to the demand of the developing times and enhance the party organizations' combative responsibility and role.

The party organizations and officials must further strengthen the work with the people to ensure that all the party members and officials have a sense of loyalty and filial piety with which to always loyally uphold the party and the leader, believe and follow only our party in any environment, and internalize a firm determination to share their fortune and destiny with the party.

The purpose of strengthening the party and enhancing its leadership role is to complete the chuche socialist cause to the end. The popular masses-centered socialism of our own style that our people built through a bloody struggle and creative labor under the party's leadership is the most superior socialism that embodies the popular masses' demand and aspirations and is an invaluable basis for our fatherland's boundless prosperity and happiness for generations to come.

Firmly maintaining socialism and more highly displaying its superiority and vitality under the party's banner is our people's honorable duty for the era and for history. We must vigorously accelerate the grand socialist march of the 1990's under the banner of three revolutions—ideological, technological, and cultural—thus consolidating the might of the developing socialist fatherland. With the revolutionary resolve and determination that we will do what the party decides and with a boundless sense of loyalty and devotion, all the officials and workers must thoroughly implement the party lines and policies. Our people who have been tested and are unyielding while riding strong storms with the party will also in the future vigorously accelerate the revolution and construction according to our style, with the Korean nation-as-No. 1 spirit and an indomitable spirit. They will also complete the chuche revolutionary cause by overcoming any difficulties and trials and continuing a forward march and innovation.

Reunifying the divided fatherland is the most important national task of our party and people. In hearty response to our party's plan to independently reunify the fatherland, we must remove all the obstacles on the road toward reunification with the entire nation's united efforts and achieve the country's reunification without fail.

Our people will march forward firmly hand in hand with the world's progressive people under the uplifted banner of independence and continuously and resolutely fight to build a free, peaceful new world.

Our party's future is bright, and the victory of the socialist cause is inevitable. Let us all continuously march forward to complete the chuche revolutionary cause by achieving stronger unity with the party and the leader.

KPA Chief of Staff Visits PRC

WA1610120791

For reportage on the visit to the PRC by Yi Tong-san, deputy chief of General Staff of the Korean People's Army—including his meetings with Defense Minister Qin Jiwei and with Chi Haotian, chief of General Staff of the People's Liberation Army—please see the Northeast Asia section of the 15 October China DAILY REPORT and subsequent issues.

South Korea

U.S. Demand for War Repayments Called 'Selfish'

SK1610100691 Seoul YONHAP in English 0827 GMT 16 Oct 91

[Text] Seoul, Oct. 16 (YONHAP)—The SEKYE TIMES said Wednesday the United States was unfair and selfish when it asked South Korea to pay up all the monetary and material shares it had promised to contribute for the war against Iraq.

In an editorial, the vernacular newspaper said Korea did indeed commit itself to share the burden of the allied efforts for the Gulf war at the outset. The unfulfilled portion of Korea's 500 million-dollar pledge, said to amount about 100 million U.S. dollars in value, includes a share of transportation support.

But the war ended in victory for the U.S.-led allies much sooner than expected. As a result, Korea could not carry out pledged transportation support for the allied forces, the paper said.

According to a NEW YORK TIMES report, it said, the United States registered a balance of payments surplus in the first quarter of this year for the first time in years thanks to the allies' burden sharing in the Gulf War.

Yet, the United States is threatening to take measures against Korea such as a suspension of arms exports, if Seoul fails to pay up the unfulfilled material support in cash.

But if the United States carries out such threat, it could not escape from criticisms for its arbitrary behavior and power politics since the burden-sharing agreement has not specified what it would do against the country which failed to fulfill pledges, the paper warned.

The United States has performed as an international policeman admirably by leading its allies to victory in the Gulf war. But if it insists on receiving the costs of the war from its allies, it could not justify the efforts of the allied nations to go to the war against the aggressor, the editorial said.

The world expects the United States to play a new role as the only superpower in the wake of the collapse of communism and end of the cold war. We are concerned, however, the new world order may be forced to flow in a wrong direction if the United States tries to dominate the world alone, it added.

Seoul-Tianjin Chartered Flight To Fly 16 Oct

SK1610102791 Seoul KBS-1 Radio Network in Korean 0800 GMT 15 Oct 91

[Report by Han Chun-hyop from Hong Kong]

[Text] An exchange of ROK-PRC chartered flights has been approved by the Chinese side. On 16 October, Asiana Airlines will inaugurate a flight between Seoul and Tianjin.

China decided to realize such an aviation exchange by approving the Seoul-Tianjin chartered flight requested by ROK civil air transportation circles. In accordance with this, a Chinese civil airliner is also planning to send a chartered flight to Seoul on 23 October.

This is the first time for China to commission a flight carrying ordinary passengers to the ROK. Before, special events such as the Olympics had to take place for the commissioning of flights.

Accordingly, the Boeing 747-400, a passenger plane of Asiana Airlines, will leave Kimpo International Airport for Tianjin on the morning of 16 October, and return on the afternoon of the same day.

It was learned that Korean Air also requested approval from China's Ministry of Transportation for the authorization of chartered flights between Seoul and Tianjin, but it seems that it will be difficult to carry this out because it did not receive approval from China.

Kazakh Republic Proposes Air Route to Seoul

SK1210011991 Seoul THE KOREA HERALD in English 12 Oct 91 p 2

[Text] The Soviet Kazakh Republic has proposed opening an air route linking its capital Alma Ata and Seoul via Beijing, a Chongwadae official said yesterday.

Kazakh President Nursultan Nazarbayev, in a letter to President No Tae-u, said Beijing has responded favorably to the idea, No's national-security adviser Kim Chong-hui said.

The letter was conveyed to No by Chairman of Kazakh Supreme Soviet E.M. Asanbayev during a courtesy call to Chongwadae.

Nazarbayev, also expressing hope for further expansion of ties with South Korea, invited No to visit his republic, Kim said.

No and Nazarbayev met last November when the Kazakh president visited Seoul.

Chairman Asanbayev told No that his republic wants South Korea to establish a consulate in Alma Ata which has a large population of ethic Koreans.

No replied that he would study the matter and the proposed opening of an air route between Alma Ata and Seoul.

Asanbayev left Seoul later in the day, winding up a week-long visit.

KGB Agents in ROK Said To Be Unqualified

SK1310081691 Seoul CHUNGANG ILBO in Korean 11 Oct 91 p 2

[Report by Kim Sok-hwan from Moscow]

[Text] The most recent edition of the Soviet Union's leading weekly news magazine, MOSKOVSKIYE NOVOSTI, reports that there is doubt regarding the ability of the KGB agents dispatched to the ROK and especially that the level of professionalism of these agents is low.

Through secret testimony by a KGB agent currently serving in intelligence operations, MOSKOVSKIYE NOVOSTI reports that to prevent waste in the national budget, it is necessary to conduct inspection of incompetent KGB agents currently dispatched overseas and their branch offices.

MOSKOVSKIYE NOVOSTI says: "The person in charge of the agents and the agents already dispatched to the ROK possess a low level of professionalism. Other agents will also be dispatched soon."

The agent who gave the secret testimony to MOSKOVSKIYE NOVOSTI stated that due to personal connections and factions within the KGB, incompetent figures were dispatched overseas and an enormous amount of funds for its operation are being wasted under the cloak of intelligence activities.

This agent disclosed: "Japan, France, the United States, the United Kingdom, Turkey, and especially the ROK are regions that are being considered. People whose status has been exposed and agents possessing a very low level of professionalism have already been dispatched to the ROK or are expected to be dispatched there."

This agent stated that the reason incompetent figures were dispatched to serve in intelligence activities was due to the personnel policy of Kryuchkov, former KGB chairman, which was carried out without any fundamental rule.

This agent was critical because those figures who made irreparable mistakes in intelligence activities were continuously promoted as aids to Kryuchkov and pointed out that these figures include Titov, chief of counterintelligence; Grushko, former deputy chairman of the KGB; and Shebarshin, former acting KGB chairman.

This agent emphasized that many generals and colonel-level high-ranking cadres who were criticizing and attacking Kryuchkov's unfair personnel policy were fired, and that there is a need to analyze the activities and financial situation of the KGB's branch offices in Vienna, Geneva, Brussels, New Delhi, France, and Tokyo.

Czech, Polish Members May Leave Supervisory Body

SK1510064591 Seoul YONHAP in English 0624 GMT 15 Oct 91

[Text] Seoul, Oct. 15 (YONHAP)—Czechoslovakia and Poland are likely to withdraw their delegates to the Neutral Nations Supervisory Commission [NNSC], the organization overseeing the 1953 armistice agreement that halted the three-year Korean war, from North Korea due largely to harassment, sources close to the Military Armistice Commission said Tuesday.

Pressure had been growing ever since the Eastern European nations set up diplomatic relations with South Korea and intensified after North Korea reluctantly joined the United Nations simultaneously with South Korea on Sept. 17, they said.

The hardline North was on good terms with the East-bloc countries until the capitalist South mended fences with them. Seoul established formal ties with Warsaw in November 1989, and with Prague in March last year.

The Polish and Czech delegates lack daily necessities and North Korea has cut off the gas, water and electricity supplies to their residences, they said.

U.N.-side members of the NNSC have been notified of the Czech and Polish intention to withdraw their delegates, the sources said.

The NNSC was installed on July 27, 1953, in accordance with the armistice agreement. It comprises delegates from Switzerland, Sweden, Czechoslovakia and Poland. The armistice was signed by the U.N. Command, North Korea and China.

Countries Not Planning To Withdraw

SK1610090391 Seoul KBS-1 Radio Network in Korean 0800 GMT 16 Oct 91

[Text] Poland and Czechoslovakia, representatives of the communist side of the Neutral Nations Supervisory Commission [NNSC], notified our government that they had not examined their withdrawal from the NNSC.

A Foreign Ministry authority revealed on 16 October that it received an official notice from the governments of Poland and Czechoslovakia saying that they did receive some harassment from the North Korean side regarding their activities at the NNSC due to their inspection of the "Team Spirit" exercise, but they had not examined their withdrawal from this commission.

The Foreign Ministry authority also revealed that as a result of the discussions with representatives of Switzerland and Sweden last month—which were hosted by our side—Poland and Czechoslovakia provided a common position that since the NNSC is a part of the armistice agreement, the NNSC cannot be dissolved without the complete agreement by all the related countries. Poland and Czechoslavakia had also notified the North and South Korean authorities of this.

North Wants Body Disbanded

SK1610031391 Seoul YONHAP in English 0219 GMT 16 Oct 91

[Text] Seoul, Oct. 16 (OANA-YONHAP)—North Korea is demanding that the Neutral Nations Supervisory Commission (NNSC), set up to supervise compliance with the 1953 Korean armistice agreement, end its oversight function, but it maintains unofficial contact with the four member nations, a South Korean Government official said Wednesday.

Switzerland, Sweden, Czechoslovakia and Poland, the four NNSC members, reaffirmed in June and again in August that the supervisory body was still necessary and notified South and North Korea, the United States and China of the decision, he said.

South Korea and the United States similarly confirmed the NNSC was necessary to ensure the terms of the armistice agreement were properly met and notified North Korea of this through China, the official said.

Established July 27, 1953, the NNSC oversees the armistice signed by North Korea, China and the United Nations at the end of the three-year Korean war. Switzerland and Sweden represent South Korea, and Czechoslovakia and Poland speak for North Korea.

Pyongyang says the NNSC is meaningless as Czechoslovakia and Poland have diplomatic relations with South Korea and is urging the two nations to withdraw from the organization. Pyongyang has diplomatic relations with Stockholm and Bern, and Seoul normalized ties with Warsaw in November 1989 and with Prague in March 1990.

A diplomat from Eastern Europe says the Polish and Czech ambassadors to North Korea were recently called in by officials in Pyongyang, who urged that the two countries withdraw from the NNSC.

A source on the Military Armistice Commission said that North Korea was "harassing" the NNSC delegates from Prague and Bern, cutting off gas, water and electricity to their residences.

North Korea maintains unofficial contact with the delegates, according to the government official.

"North Korea, having joined the United Nations simultaneously with South Korea, is unlikely to take any further restrictive measures," he said.

"As long as South Korea, the U.N. Command and NNSC members feel they need to keep the NNSC, the commission will stay until a system is established that guarantees peace on the Korean peninsula," he said.

Economic Embargo of Vietnam May Be Lifted

SK1610041591 Seoul THE KOREA ECONOMIC JOURNAL in English 14 Oct 91 p 4

[Text] Korea's economic embargo of Vietnam will be likely lifted in November this year as the communist country is emerging as one of the most promising investment areas for Korean businesses.

Officials in the Ministry of Foreign Affairs said that it is certain that the Cambodian matter will be settled peacefully at the Paris meeting at the end of October, a U.S. condition for ending its economic embargo of Vietnam.

Accordingly, the U.S. is expected to remove its economic embargo of Vietnam in early November and the Korean government will follow suit shortly, they added.

The officials also said that soon after the economic deregulation, the government plans to pursue policies to improve relations with Vietnam step by step. Negotiations to normalize diplomatic relations between the two countries will begin in earnest.

Korea has officially prohibited capital transactions and trading with Vietnam since 1975 in line with the U.S. policy.

Meanwhile, the two-way trade volume between Korea and Vietnam has risen steadily since 1988 when Vietnam participated in the Seoul Olympic Games, with $76 million in 1988, $87 million in 1989 and $135 million in 1990.

ROK Called 'Fully Fit' To Join OECD

SK1610072091 Seoul YONHAP in English 0537 GMT 16 Oct 91

[Text] Seoul, Oct. 16 (OANA-YONHAP)—South Korea was fully fit to join the Organization for Economic Cooperation and Development (OECD) and should participate in its activities, OECD Secretary-General Jean-Claude Paye said Wednesday.

Paye, who arrived in Seoul Tuesday for a three-day visit, met with Foreign Minister Yi Sang-ok and asked for active Korean participation in OECD.

Mexico and East-bloc nations were hoping to join OECD, but Korea was most ready for membership, he was quoted as saying.

Yi said Korea was likely to join in around 1996, when its seventh five-year plan ends, but promised Paye that his government would expand its role in OECD through the organization's trade, finance and development committees.

Some Foreign Ministry officials predict OECD membership will come before 1996. The ministry is considering creating a minister in the Korean Embassy in Paris, who would exclusively handle OECD affairs.

ROK, EC Groups To Cooperate in GATT Talks

SK1510040091 Seoul YONHAP in English 0229 GMT 15 Oct 91

[Text] Brussels, Oct. 14 (YONHAP)—Representatives of South Korea's National Agricultural Cooperative Federation (NACF) and European agricultural groups agreed Monday to collectively cope with the move by other participants in the Uruguay Round global trade talks to deny recognition of non-trade concerns (NTCs).

Arthur Dunkel, director-general of the General Agreement on Tariffs and Trade (GATT), plans to submit a proposal soon to reject NTCs and introduce tariffication without exception.

The seven-member Korean delegation, headed by NACF President Han Ho-sun, met with Herbert Kellner of the European Community's general committee of agricultural organizations and other leaders of the EC committee of agricultural organizations. They were of the opinion that the move to deny NTCs had not considered non-economic aspects of agriculture and agreed to jointly exert efforts to halt the move.

Korea has demanded rice be excluded from market liberalization.

Han promised the NACF would support rallies by European farmers late this year in each of the 12 EC nations. He invited Kellner to a seminar Oct. 21-23 in Seoul, where he will speak on the future of family farms.

The Koreans will attend a meeting of the subcommittee for agriculture during the conference of the international cooperative alliance in Berlin and will visit Geneva to meet with Dunkel and explain Korea's position on market opening for farm products.

Polish Foreign Minister Completes Visit, Departs

LD1610043291 Warsaw PAP in Englishdd

[Text] Seoul, Oct. 15—On the last day of his visit to Seoul, Polish Minister of Foreign Affairs Krzysztof Skubiszewski discussed on Tuesday prospects for the dialogue between both Korean states and the development of unification process with South Korean Deputy Premier and Minister for National Unification Choe Ho-chung.

The Korean deputy premier appreciated Poland's policy and her activity in the supervising commission of neutral countries in Korea.

From Seoul Minister Skubiszewski flew to Beijing where he starts an official visit on Wednesday.

Lithuanian Prime Minister Scheduled To Visit

SK1610040191 Seoul YONHAP in English 0248 GMT 16 Oct 91

[Text] Seoul, Oct. 16 (YONHAP)—Lithuanian Prime Minister Gedinnas Vagnorius will visit South Korea Oct. 19-21, the Foreign Ministry announced Wednesday.

Seoul and Vilnius established diplomatic relations Monday, five weeks after Korea endorsed the independence of the Baltic state from the Soviet Union.

Vagnorius will meet with President No Tae-u, Deputy Premier- Unification Minister Choe Ho-chong, Foreign Minister Yi Sang-ok, and Trade and Industry Minister Yi Pong-so to discuss economic cooperation and matters of mutual concern, the ministry said.

The Lithuanian premier will be accompanied by Vilis Valdisis, governor of the Bank of Lithuania, and Vytenis Aleksaitis, international economy minister, it said.

PRC Said To Increase Military Aid to DPRK

SK1610040691 Seoul KBS-1 Radio Network in Korean 0300 GMT 16 Oct 91

[YONHAP report from Hong Kong]

[Text] The latest edition of DONGXIANG, a Hong Kong current affairs monthly, reports that during North Korean President Kim Il- song's recent visit to China, China decided to increase its military aid to North Korea to approximately $500 million and its military sales to $1 billion, and to train 5,000 North Korean soldiers a year. It also reported that this decision was made as part of its reformulation strategy to make North Korea and the rest of the socialist countries its strategic bases for its anti-U.S. activities in the wake of the Soviet situation.

In its October edition distributed yesterday, quoting a source close to Beijing's leadership, DONGXIANG reported that on 11 October, toward the end of Kim Il-song's visit to China, the CPC Central Committee decided to increase China's military aid to North Korea to approximately $500 million a year from the current $300 million and its North Korean won-based military equipment sales to North Korea to $1 billion a year, to give military education and training to 5,000 military personnel a year in China, and to open the sales of missiles and various other advanced weapons to North Korea.

DONGXIANG also reported that China's decision to increase military aid to North Korea was part of its reformulation strategy to strengthen its own military forces and to make North Korea, Vietnam, and Cuba—socialist countries—strategic bases for its anti-U.S. activities in the wake of the Soviet situation.

* North Korea Launches 'Active' Diplomacy

912C0305A Seoul CHUNGANG ILBO in Korean 12 Aug 91 p 9

[Article by reporter An Song-kyu: "Quickened Foreign Diplomacy"]

[Text] As North Korea approaches the date of its admission to the United Nations, it has launched active diplomacy in many directions.

North Korea appears to have reinforced its diplomatic activities especially after it applied independently for admission to the United Nations.

Recently, the North Korean diplomacy has been launched in three directions.

First, it has accelerated its approach to Japan and the United States. Accordingly, North Korea has recently invited several large groups from Japan to visit, thereby accelerating its diplomatic activities to realize an early friendship between North Korea and Japan.

Headed by Dietman Hajime Ishii of the Liberal Democratic Party and composed of 350 people including national and local Dietmen, attendants and reporters, the visit by the Dietmen's League for the Promotion of Japan-Korea Friendship marks the largest visit in the history of diplomatic relations between North Korea and Japan. Thus, North Korea has shown its desire to improve its relationship with Japan.

Over the period of four nights and five days, 21-25 July, in North Korea, the delegates were welcomed at a mass gathering in Pyongyang, and in particular, President Kim Il-song invited them to a reception dinner in Hamhung. In addition, President Kim was "thoughtful enough" to hold an open conference with some delegates. These activities indicate North Korea's interest in improving and establishing diplomatic relations with Japan.

In his talks with Japanese Dietmen, President Kim said, "While continuously preserving socialism, we will keep pace with the world's movement because North Korea, too, is a nation on earth." This was interpreted as the North Korea's willingness to soften its "hard-line approach," against which Japan has been cautious, to establish friendly relations.

Besides, a group of people aboard the "Japan-Korea Friendship Boat" visited North Korea from 28 July to 3 August. The names of the groups these visitors represent—Japan Committee for Supporting Korea's Reunification, Japan-Korea Cultural Interchange Association, and the Japanese Teachers' Society for the Study of the Chuche Idea—reflect their pro-North Korean nature. The visits by these representatives are interpreted as a North Korean desire to stir up public opinion inside Japan for an early establishment of friendly relations.

North Korea's approach to the United States thus far has been at the elementary stage, such as sports diplomacy and exchange of religious people, but it is becoming active.

North Korea has informed the sponsors of the World Gymnastic Championships, which will be held in Indianapolis, beginning on 6 September, that it will dispatch a team of seven men and seven women. This can be seen as a North Korean approach to the United States through sports diplomacy that is similar to the Ping-Pong diplomacy between the United States and China.

In addition, although the official response has not been heard yet, the North Korean soccer team will reportedly play the U.S. team in Washington. This, too, can be seen as an approach to the United States through sports.

Besides, North Korea has launched projects to expand its contact with the United States through civilians. For instance, a group delegates of the U.S. Presbyterian synod, composed of some 10 people headed by its chairman, is scheduled to visit North Korea in early September.

This American Christians' visit to North Korea is a formal visit in return for the visit of eight North Koreans in Christian and academic circles to the United States in June, which was headed by Han Si-hae, vice chairman of the Committee for the Peaceful Reunification of the Fatherland. However, such an exchange in religious circles is not just a one-time event but is expected to continue, according to the religious circles in the United States and North Korea.

The North Korean diplomacy is also characterized by the reinforcement on invitations and visits.

Since North Korea filed its application for admission to the United Nations, there have been 21 cases of invitations and visits altogether.

In fact, North Korea has invited 12 groups of delegates, including the Japanese groups, and has dispatched seven groups of delegates to foreign countries.

In particular, North Korea invited delegates of the Spanish Communist Party (16 July), delegates of the Belgium Socialist Party (23 July), delegates of the Danish Socialist Democratic Party (27 July), and Iranian Vice President Hasan Habibi.

In the case of noticeable visits, a group of North Korean diplomats headed by Choe Su-hon, who is known as a "diplomat for nonaligned countries," made a tour of nonaligned countries in Africa, such as Uganda and Burundi, from 20 June to 20 July, and Kim Tal-hyon, vice premier and chairman of External Economy Commission, visited Iran.

It has been shown that North Korea is shifting from the diplomacy centered on the Soviet Union and Eastern Europe to the all-around diplomacy centered on the nonaligned countries in the West and Asia.

It appears that the North Korean invitation to the leftist parties in Spain, Belgium and Denmark, in particular, was aimed at establishing a position in Western Europe because North Korea has become alienated from Eastern Europe.

Finally, the frequency of North Korea's appearance in international conferences has increased.

North Korea attended the Asia region conference of the UNCTAD which was held in Geneva, Switzerland, on 18 July, and it has decided to accommodate the seventh Asian ministerial meeting of the Group of 77 in Pyongyang for the period of 7-12 September.

Such participation in a variety of international conferences has become noticeable recently, and this appears to be a North Korean attempt to enhance its image before its admission to the United Nations and at the same time lay the groundwork to establish its position in the United Nations after its admission.

* North Korea's Energy Shortage 'Critical'

912C0294A Seoul CHUGAN CHOSON in Korean 4 Aug 91 pp 10-13

[Article by reporter O Tae-chin: "Due to an Increasingly Serious Energy Shortage, the Pyongyang Subway Operates Only When State Guests Are Visiting"]

[Text] This summer the homes in Seoul face the prospect of electricity rationing because of the excessive demand of power for air conditioning. However, this is nothing compared with the power shortage in Pyongyang. Pyongyang's chronic energy shortage resulting from North Korea's irrational industrial structures and foreign currency shortage now seems to have reached a critical stage. The energy crisis in North Korea is having serious ripple effects not only on all the industrial sectors but also on the homes, and the problem is that there is no way out of this crisis.

Currently, the factory capacity utilization rate in North Korea has probably dropped to somewhere between 40 and 45 percent. This is because factory operation is suspended for a certain duration alternately for different areas, factories, and machines under a rotation system, due to the power shortage. The railways, the basic means of transportation, are directly hit by the power shortage because they have been 90 percent electrified. In addition, the power shortage is causing a vicious circle of a decrease in the transportation of coal, a major source of self-supplied energy, and in the operation of coal mining equipment, and a resultant reduction in coal supply.

The operation of the Pyongyang subway is a typical example which graphically illustrates the magnitude of the energy shortage in North Korea. In the past, in Pyongyang, the whole of which is featured as a "show case," the subway operation was seldom suspended. The South Korean National Assembly members who visited Pyongyang last May to attend the IPU [Interparliamentary Union] general meeting, and the South Korean journalists who accompanied them had an opportunity to ride the subway. However, an informed source familiar with the situation in North Korea said that the subway is normally not in operation except when a large-scale foreign delegation or state guests are visiting Pyongyang.

The Soviet economic experts who recently stopped in Seoul after visiting North Korea to observe the state of the economy there, said that North Korea's energy shortage is "the worst in its history." They pointed out that with a drastic reduction in energy import due to a foreign currency shortage, North Korea's stock of refined oil is exhausted.

According to these Soviet experts, to add insult to injury, the coal fields on the northeastern coast were inundated by the flood last year, and the reconstruction of the damaged mines is still continuing. As a result, the amount of coal extracted has dropped drastically. For this reason, the operation of the thermal power generators is barely maintained by using poor quality coal, and this is further aggravating the energy shortage.

The Soviet experts predict that North Korea's energy shortage will reach a critical point this summer, saying that if torrential rains hit the coal fields again this summer, it would deal an irreparable blow. They reportedly told our government authorities that the only way for North Korea to find a breakthrough is to embark upon economic cooperation with South Korea next year, at the latest, and advised our authorities to hasten preparations to cope with that eventuality.

North Korea's annual coal output was 43.5 million tons as of 1989, barely enough to meet 70 percent of the demand. Under these circumstances, last year's flood damage dealt a mortal blow to North Korea's coal fields, which may be said the last bastion of energy supply for North Korea.

Therefore, in an effort to tide over the crisis facing coal production with the use of manpower, North Korea is currently asking the coal miners to redouble their efforts, stressing the importance of increased coal production under these slogans: "Coal, the food of the chuche-based industry," "Coal, the lifeline for overall economic development," and "The first thing to do, the second thing to do, and the third thing to do is produce coal." Mass media are daily publicizing the amount of coal produced by each colliery in order to stimulate competition among coal mines. More than 10,000 discharged servicemen were sent to major coal mines last March; "coal mining shock brigades" made up of young workers, college students, and high school graduates of both sexes have been organized; and a string of events designed to promote increased coal production has taken place.

Power Plant Construction Delayed for Lack of Funds; One Light for One Household

The power supply situation began to deteriorate so much in the early 1980's that the shortage affected the lives of the residents. The nightly neon signs on the Pyongyang streets were turned off beginning in 1984. The energy shortage has become so acute that the lights which used to illuminate the area surrounding Kim Il-song's statue from dusk to dawn are now turned off at 2200, at which time the trolley service is also terminated for the night and the electric lights in hotels for foreigners are also turned off.

During the World Youth and Students Festival in Pyongyang, in order to supply electricity to Kwangbok District, where the foreign delegations stayed, the power supply to other districts in Pyongyang had to be cut off. Power supply to these districts was so inadequate for quite some time even after the completion of the festival that the local inhabitants grumbled. The foreign missions in Pyongyang are not an exception; their electricity supply is cut off from time to time and they were urged by Pyongyang authorities to conserve electricity. This being the case with Pyongyang, which is intended to be a show case, one may easily imagine the extent of the power shortage elsewhere in North Korea.

At present, the consumption of electricity is so restricted that each home in small and medium towns and in the country is allowed to use only one light, and 40 watts at that. The voltage is so low that no florescent lights can be used. According to those who have visited North Korea, a power blackout is in effect under a rotation system by which power goes off alternately in different villages.

North Korea has been waging a large-scale power conservation drive by mobilizing the residential surveillance system and various social organizations. Beginning in 1984, even the "movement for collective return of light bulbs" was launched to collect light bulbs from each household. Beginning last year, a drive to conserve the city water supply was launched along with the bulb collection drive, in order to conserve power used by the pressure pumps for city water supply.

North Korea's current electricity generation capacity is estimated at 7.7 million [as published] kw, of which 4.46 million [as published] kw is generated by hydro power and 3.24 million [as published] kw by thermal power. Its annual aggregate electricity output was 32 billion kw in 1989 and 36 billion kw in 1990. These figures represent a shortfall of between 12 and 15 billion kw below the minimum amount needed to meet the electricity demand in North Korea's industries and homes.

During the third economic plan period ending in 1993, North Korea plans to boost the total power generation capacity to 170 billion kw. However, the construction of power plants has not been progressing smoothly because it requires a huge amount of funding. Since 1987, construction has been started for only five new power plants, including East Pyongyang Power Plant with a capacity of 200,000 kw; and what is worse, the completion dates for these power plants have been put off. Only five power plant projects were started before 1987 and they have either been completed or are partly in operation, including Taechon Power Plant. Thus reality is far off the goals.

In the middle of economic difficulties, the construction of nuclear power plants is where hopes can be pinned at a time when things are going amiss with the power plant construction plans. North Korea set a nuclear power plant site in the vicinity of Sinpo last summer under a plan to build with Soviet assistance a nuclear plant with a 1.76 million kw capacity. But, according to the Soviet experts, the project can be started in 1993 or 1994 at the earliest; therefore, this plan will be of no immediate help. What is more, whether or not the project will be started at all is unclear because the Soviet Union has made it clear that it will provide nuclear power plant technology and nuclear fuel only when North Korea signs a nuclear safety agreement with the IAEA [International Atomic Energy Agency] and agrees to nuclear inspection.

For this reason, North Korea as a last resort has been encouraging the construction of small and medium power plants with a capacity of less than 1 million kw each under Kim Il-song's 1988 instruction. The plan calls for the construction of a total of over 500 of these power generating plants throughout North Korea, 20 to 150 of them in each province—the type of power plants which generate electricity by using a water-mill style turbine which draws water from a dam built with rocks and logs through a channel made of logs. However, the generating capacity of these water-mill type power plants is so minuscule that they do not produce enough power for industrial use.

North Korea's power shortage started in the early 1980's when the demand of electricity for industrial use increased rapidly as various show-case projects got under way to show off the regime's political achievements as part of the drive to establish the Kim Il-song dynasty. The power shortage got worse because of the inadequate equipment, materials, funding, and transportation capacity resulting from the policy of closed society and self-reliance, as well as the obsolescence of the generating and transmitting facilities.

But, the overriding factor that climaxed North Korea's energy crisis was the drastic reduction of oil and material aid from the USSR and China as a result of the Soviet policy of openness and reform and China's economic reform. In 1986 and ensuing years, North Korea had imported 11 to 14 million barrels of oil annually from the Soviet Union. Soviet crude oil supply was indispensable for North Korea's oil refineries because it accounted for half of North Korea's annual refining capacity of 25 million barrels. North Korea enjoyed a special benefit in importing Soviet crude oil in the form of the so-called "friendly prices," which were below the world market prices, and of payment in goods, not in cash.

Beginning in 1989, however, the Soviet Union began to drastically reduce its crude oil supply to North Korea due to the decrease in its oil production caused by its own economic difficulties. Last year the Soviet Union abolished the system of friendly prices for East European countries, Cuba, and North Korea and began charging international market prices. In addition, beginning this year, trade between the Soviet Union and North Korea, which used to be carried out in the form of barter, was switched to a system of payment in hard currency, namely, internationally convertible money. This, to all intents and purposes, has blocked oil import from North Korea's largest oil supplier.

Charcoal-Gas Driven Cars Reappear in Pyongyang; Fishing Boats Not in Operation Due to Oil Shortage

For this reason, last year North Korea's import of Soviet crude oil dropped to the level of 3.7 million barrels and its total oil import to 19 million barrels or more. North Korea is trying to tide over the shortage by annually importing 7 to 7.5 million barrels each from China and Iran. But there are many problems involved.

In the case of Chinese crude oil, the quality is inferior and the level of heat generated is about 30 percent lower, adding fuel to the power shortage. For the purpose of earning urgently needed foreign currency, North Korea has recently been reexporting the bulk of 7 to 7.5 million barrels of Iranian crude oil which it imports annually in return for its weapons and war materials supplied to Iran. The facts about the reexportation of Iranian crude oil were revealed by Siegfried Scheibe, counselor at the East German Embassy in Pyongyang shortly before the German reunification, in his paper "The North Korean Economy at the Crossroads" released in Seoul last month.

The oil shortage not only aggravates the electricity shortage in North Korea, which relies on thermal power for more than half of its power generation, but also leads to a shortage of fuel supply for motor vehicles, aircraft, and ships. Fuel for most of the trucks, which are an important means of transportation for North Korean farm products, has been converted to charcoal gas, with charcoal-gas driven cars beginning to appear in Pyongyang in late 1989.

According to recent visitors to North Korea, fishing boats are not operating regularly due to a fuel shortage for boat engines. In the past, when our air force flew trainers near the armistice line, North Korean aircraft immediately scrambled. However, beginning last year, there was no scrambling from the North even when South Korean trainers fly near the DMZ for a considerable length of time. Our authorities speculate that this may be due to a fuel shortage in the North. This speculation is substantiated by the recent remarks by a Japanese expert on North Korean affairs to the effect that North Korean Air Force pilots get only four hours of flight training a year due to a fuel shortage.

This year North Korean authorities even hit upon the idea of requiring former overseas Korean residents now living in North Korea to pay in dollars or yen when they purchase gasoline or other fuel. This idea is intended to suck up—in a desperate effort to ease the foreign currency shortage even slightly—foreign currency remittances received by these returnees from their relatives or associates in Japan.

With indirect trade between North and South Korea through third countries booming recently, North Korea last April purchased 30,000 barrels of high-sulfur diesel oil for ship engines from Honam Oil Refinery through a Chinese intermediary and Lucky-Goldstar. Our government authorities at first considered this deal seriously for fear that the diesel oil might be used for military purposes. But, believing that it is more important to stimulate North-South trade, they finally approved the deal. This diesel oil deal is a minor example showing the energy shortage in North Korea, but it indicates that after all North Korea has no one but South Korea to look to for help.

Organizations Seek Withdrawal of Nuclear Weapons

SK1410032791 Seoul YONHAP in English 0301 GMT 14 Oct 91

[Text] Seoul, Oct. 14 (YONHAP)—An anti-nuclear organization embracing 15 political and social groups announced on Monday they would seek a National Assembly legislation that would require scrapping or withdrawal of all nuclear weapons from South Korea.

The so-called Committee for Nuclear Disarmament in the Korean Peninsula told a news conference that it will propose the legislation through Yi Hae-chan and six other National Assemblymen.

The legislation, if passed, would ban manufacturing, developing, testing and possession of nuclear weapons in South Korea within one year. It would ban military exercises for the deployment of nuclear weapons and require the submission of all nuclear documents to the National Assembly.

It would also ban aircraft or vessels carrying nuclear weapons from flying over or passing through South Korea's airspace or territorial waters.

The committee, headed by Kye Hun-che, a noted dissident, made no mention of alleged development of nuclear weapons by North Korea.

The committee, which include the National Alliance for Democratic Movement, the country's main dissident organization, and the Korea Anti-Pollution Movement Association, said it has been participating in a signature-signing movement for de-nuclearization of the Korean peninsula and adoption of a non-aggression declaration by South and North Korea.

Unification Minister Urges Peace Compromise

SK1410050091 Seoul YONHAP in English 0446 GMT 14 Oct 91

[Text] Seoul, Oct. 14 (OANA-YONHAP)—South Korea will urge North Korea to compromise on establishing a peace system on the Korean peninsula during the fourth inter-Korean prime ministers' talks, beginning Oct. 22 in Pyongyang, Deputy Prime Minister Choe Ho-chung said Monday.

"There is no room to doubt that South and North Korea should establish a peace formula through compromise," Choe reported to the Advisory Council on Peaceful Unification Policy. South and North Korea are technically at war with a truce pact concluded in 1953 sustaining peace on the peninsula.

The "substantial and eventual" parties for war or peace on the Korean peninsula were South and North Korea, said Choe, who is also unification minister.

The fundamental reason for distrust and confrontation between the two sides was that North Korea had not given up trying to overthrow the South and stuck to a "one Korea policy," Choe said.

"By providing a basic frame for the improvement of relations, South and North Korea should remove the confrontation and distrust systematically and realize the relations of political reconcilation and nonaggression and exchange and cooperation as early as possible," he said in his report.

Cooperation To Develop Tuman Basin Urged

SK1610022591 Seoul THE KOREA TIMES in English 16 Oct 91 p 6

[Editorial: "Talks on Tuman Project"]

[Text] The conference sponsored by the United Nations Development Program (UNDP) now under way in the North Korean capital of Pyongyang marks an extraordinary international cooperation by a number of nations in the joint development of the Tuman delta region in an area close to North Korea, Mongolia, China and the Soviet Union. In the gigantic project, as a matter of fact, positive participation is also expected from the related countries of South Korea, Japan and the United States.

Seoul has sent a three-member delegation led by Kim In-ho, assistant economic planning minister for international policy coordination to the conference as a UNDP member state with Pyongyang's acknowledgement of the delegates' entry into the country. Taking advantage of the Pyongyang conference, the government may well seek substantial economic exchanges with the North.

The Pyongyang regime has been reluctant to enter into any official economic relationship in line with its dogmatic one-Korea concept despite its increasing need for an economic shot in the arm. But inter-Korean cooperation in this field could be possible without hurting its pride or requiring a confession of change in its policy.

It is to be noted that Pyongyang has shown an unusual interest in the UNDP-sponsored project and expressed its readiness to receive assistance from capitalist countries including even South Korea. The Seoul delegation is planning to discuss measures of inter-Korean economic cooperation with the Pyongyang delegation headed by Kim Chong-u, vice minister of the North Korean Ministry of External Economic Affairs, who is also a delegate from the North Korean side to the South-North Korean prime ministers' talks

With the prime ministers' talks scheduled from Oct. 22 for a three-day run in the North Korean capital, the ongoing UNDP meeting and the inter-Korean delegates' contacts expected there will become a virtual prelude to the ensuing high-level talks and aid in Seoul's efforts to improve ties with the North especially in the fields of direct trade, joint ventures and joint resources and tourism development.

The long-term Tuman River development plan will require some $30 billion on an order-of-magnitude assessment basis, covering community-transportation infrastructure, education and contingency expenditure. For the feasibility survey only, an estimate of some $20 million is required and of the amount the UNDP is reportedly considering defraying some $5 million while calling upon the neighboring countries of South Korea, China, Japan and Mongolia to share the rest.

It is natural for Seoul to positively cooperate with the U.N. organization in the development of a region 1,000 square kilometers in area stretching in an arc from North Korea's Najin Port to China's Jingxin or Hunchun to the Soviet port of Posyet, the smaller of two delta development plans being mooted by the UNDP. The other larger delta zone covers about 10,000 square kilometers stretching in a triangular shape from North Korea's Chongjin port to China's Yanji City and the Soviet port of Vladivostok.

As for the development method, there are some differences of view between China and North Korea and the Soviet Union with the former calling for a joint development of the delta by the three bordering countries and the latter favoring their separate projects. In either case, it will require substantial assistance from the United States and Japan as well as the UNDP.

The Republic of Korea is of course obliged to render due assistance to the UNDP-sponsored project as a member state and a neighboring country. More importantly, the South has a moral obligation to help the divided North and its people improve their economic lot, apart from its own practical interests. It is also needed so that there can be a viable unification on the basis of sustainable economic bases by both the South and the North.

President Says Radical Activists Losing Ground

SK1210012391 Seoul THE KOREA HERALD in English 12 Oct 91 p 2

[Text] President No Tae-u said yesterday he believes that radical activists at the nation's universities are rapidly losing ground, influenced by the demise of communism in many parts of the world.

During a luncheon meeting with university presidents, No was quoted as saying that the waning support of the radical students is providing a good opportunity to put an end to chronic campus unrest.

Rectors of 39 universities from across the country were invited to the luncheon during which No also explained the results of his recent trip to the United Nations and Mexico, Chongwadae said.

"Global changes such as the collapse of communist systems are contributing to changing the campus situation," No was quoted as saying. "And I believe that student groups blindly pursuing radicalism such as Chondaehyop (a national association of university students) are increasingly losing ground."

"My view is that it will not be long before the nation's universities will be restored to a calm like those in such countries as the United States and Japan," the President said.

He asked the university presidents to step up efforts to revive the universities' proper functions such as teaching and learning, as well as providing research and public service.

Restructuring of 'Progressive Forces' Analyzed

SK1510083791 Seoul CHOSON ILBO in Korean 11 Oct 91 p 3

[Article by reporter Sim Yang-sop: "Progressive Forces Troubled by the Change of the Environment"]

[Text] The CPSU's collapse and other radical changes in the international situation and the merger of the conservative opposition circles and other changes in the domestic political situation have limited the Party of the Masses and other progressive forces' room to maneuver. As a result, they are trying hard to find a way out.

The progressive forces in our country have made their socialist colors clear since the mid-1980's. As a matter of fact, even though they have witnessed the changes in the Soviet Union and East Europe over the past several years, the progressive forces at home have not given up their hope. Under the circumstances where Soviet socialism, which has a 70-year history, has crumbled overnight, the progressive forces at home could not but realize that their existence is being threatened. Also, they appear to begin to find new ideas at long last.

Since late 1989, the Party of the Masses has professed itself to be the champion of the "perestroyka of the movement circles" and has called for the renovation of movement circles. As a result, this party's lines have been, in a sense, highly evaluated among the movement circles. Still, it is pointed out, the Party of the Masses is no exception to the "ideological crisis" which all progressive forces are facing, and this party is pressed to adopt more realistic lines.

Moreover, the sudden merger of the conservative opposition parties has weakened to a great extent this party's cause of establishing itself as an independent political force. In a sense, this party is facing a crisis in its existence even before taking root.

Chang Ki-pyo, chairman of the policy committee of the Party of the Masses, has called for "liberation from doctrinism." However, taking one step further in the wake of the Soviet situation, the progressive circles, in their search for new ideas, are now even calling for reexamining socialism's philosophical principles themselves. It is all the more interesting that the theoreticians in the Party of the Masses, who had adhered to orthodox Marxism-Leninism more fervently than anyone else, are calling for this.

They insist that the collapse of Soviet communism must be attributed not only to Stalinism's fallacy, but also that of Leninism and Marxism. Their analysis is that historical materialism, a central concept of Marxism, is too rigid, that mankind's subjective will was overestimated, and that, as a result, this caused a one-man dictatorship. Their search for new ideas will continue. For now, however, candidates are a third idea that is neither capitalism nor socialism (masses-centered democracy); socialist democracy; and reformist capitalism. The current leadership of the Party of the Masses maintains the "third idea." However, the party appears to adopt a more flexible line depending upon the development of the situation.

In addition to trying to find new ideas, the progressive circles are restructuring themselves. When the opposition parties were merged, the Party of the Masses decided not to join the new party. The party decided this based on the conclusion that even though the conservative opposition parties were merged, the region-based structure of the "Honam region" party and the "non-Honam region" party cannot be overcome and that it will be impossible for the opposition parties to win elections in 1992 and 1993.

Instead, the Party of the Masses tried to form a new progressive party by "uniting all the progressive forces" in vain: It almost abandoned this plan. Therefore, the party is planning to prepare for the general elections and to increase the number of regional chapters to 100. It currently has 60 regional chapters.

The Party for the Masses is thinking of a plan for the joint nomination of candidates for the upcoming general elections with the Democratic Party if the fielding of at least 10 candidates from this party is guaranteed. Regions that the party considers strategically important are the Kuro-B District (Executive President Yi U-chae), the Unpyong-B District (Secretary General Yi Chae-o), the Tongjak-A District (Chang Ki-pyo), the North-B, Inchon, District (Song Kyong- pyong), the Chongson District (Chong Un-hwan), the Taebaek District (Pae Chin), the Kumi District (Kim Chong-kil), the Pohang District (Kim Pyong-ku), and the Masan-A District (Yim Su-tae).

It was learned that since last May's struggle, the People's Alliance, the National Democratic Alliance of Korea, and other dissident organizations have been making efforts to form a 'single organization' and that they are facing difficulties in this process due to differences in views.

Ministry To Double Volume of Goods at U.S. Show

SK1610100991 Seoul YONHAP in English 0833 GMT 16 Oct 91

[Text] Seoul, Oct. 16 (YONHAP)—The Trade and Industry Ministry, in an effort to rejuvenate South Korean exports to the United States, will double the number of items on show at the Korean Goods Exhibition Center in Chicago, ministry officials said Wednesday.

Goods produced by 50 companies will soon be on show, up from 25 at present. The focus of the exhibition is automotive parts, but will expand to include machine tools and farm implement parts.

The center is currently run by the Korea Auto Industries Corp. Association, but will be managed jointly by the Korea society for the advancement of machine industry and the Korea Trade Promotion Corp. in the future.

Marketing efforts would be stepped to help small- and medium- sized firms make inroads into the American market, the officials said.

According to the Korean Automobile Manufacturers' Association, sales of Korean-made cars in the United States, the biggest market for Korean automakers, shrank 20.3 percent to 112,330 cars in the first seven months of the year from the same period last year.

Korean exports to the United States fell 6.1 percent in the first eight months of the year to 11.83 billion U.S. dollars, continuing a downward trend begun in 1989.

Dependency on the U.S. market, which took 40 percent of Korean exports in 1986, fell to 26.2 percent at the end of August. This compares with an average of 33.6 percent for the last 10 years.

Former Prime Minister's Attackers Sentenced

SK1410065991 Seoul YONHAP in English 0609 GMT 14 Oct 91

[Text] Seoul, Oct. 14 (YONHAP)—A Seoul district court judge on Monday handed down prison terms for seven of the 10 students of Hankuk University of Foreign Studies convicted of assaulting Prime Minister Chong Won-sik last June.

Judge Kang Pyong-sop sentenced Pak Kwang-yol, 21, to three and half years in prison and six others to terms ranging from two to two and half years.

Three other students were released with suspended sentence.

Declaring that the defendants had violated the democratic law and order of this country by collectively assaulting the old professor who came to the campus to bid his last farewell, the judge said he had to punish them severely to restore public morals.

The defendants were arrested after attacking Chong with bags of flour and raw eggs on June 3.

Chong, who had been appointed prime minister a few days earlier, was visiting the school to deliver his last lecture.

Bank Urges Decentralization of Economic Power

SK1210034691 Seoul YONHAP in English 0228 GMT 12 Oct 91

[Text] Seoul, Oct. 12 (YONHAP)—South Korea, to maintain a sound democratic capitalist system, has to ease the concentration of economic power among a handful of conglomerates, the Bank of Korea says in a report released Saturday.

In the report, on "pending tasks for Korea and a new economic order," the Central Bank says the big business groups, most of which are family owned and managed, exercise excessive power not only in economic areas but in almost all other fields, including culture and politics.

The concentration of economic power and influence in the hands of a few people symbolizes the undemocratic nature of Korea's economic system and breeds negative views of the socio-economic system among the general public, the report says.

The report comes as tax officials are closing in on Hyundai group founder Chong Chu-yong's family and a few other groups on suspicion of acquiring shares unethically.

It is rumored the probe into Chong's stock deals was sparked by government displeasure over his political activities, but the tycoon denied this on Wednesday.

The report says monopoly of economic power by conglomerates, even from a purely economic perspective, greatly limits the effectiveness of a market economy.

These groups usually capitalize on security created by limitless expansion in different industrial fields and are reluctant to renovate, the bank report says.

As long as the big groups are committed to such a wide spectrum of businesses as now, they will be unable to remain competitive in international markets, the report says, advising the conglomerates to specialize in a few sectors.

To revise the economic picture, which is distorted by the conglomerates' monopoly, the business groups should go public and taxation should be strengthened for the group owners and their families, it recommends.

The groups should be encouraged to focus on a few fields where they can have an edge over others in the domestic and international markets and to dispense with their other firms, the report says.

Machinery Accounts for Most of Trade Deficit

SK1010010891 Seoul YONHAP in English 0034 GMT 10 Oct 91

[Text] Seoul, Oct. 10 (YONHAP)—Machinery imports are most blamed for South Korea's snowballing trade deficit, accounting for 74.1 percent of the total trade shortfall of 8.9 billion U.S. dollars in January-August, the Trade and Industry Ministry said Thursday.

Machinery trade deficit amounted to 6.5 billion dollars with imports of 12.8 billion dollars and exports of 6.2 billion dollars during the period, the Ministry said. Imports expanded 32.4 percent and exports 24.8 percent from 1990.

Imports from Japan accounted for 39.1 percent or 5 billion dollars of the total, reflecting heavy dependency on Japanese machinery and imports from the United States totalled 3.6 billion dollars, up 23.4 percent from a year earlier.

Machinery exports were primarily for textile, chemicals, motors, automobiles and ships and their expansion was conspicuous in the european community, the Middle East and former East-bloc nations.

Firms Focus on Domestic Market as Profits Shrink

SK1610060591 Seoul THE KOREA ECONOMIC JOURNAL in English 14 Oct 91 p 6

[Text] Export earnings by Korean enterprises have been decreasing gradually, according to an analysis of the Bank of Korea (BOK) on the performance of Korean exporting firms.

The ratio of net profit to net sales for Korean exporters was 2.29 percent in 1986 and 2.04 percent in 1987, both slightly higher than the ratios for domestic market-oriented firms during the same period.

However, the ratio of net profit to net sales for export-oriented firms fell to 1.53 percent in 1988, 0.84 percent in 1989 and 0.62 percent in 1990, the central bank analyzed.

Consequently, this indicates that Korean exporting firms earned only 62 won from exporting 10,000 won worth of export items in 1990, the central bank explained.

On the other hand, the domestic market-oriented enterprises' ratio of net profit to net sales was 2.40 percent in 1988, 1.95 percent in 1989 and 1.70 percent in 1990, nearly double the ratios reported for export-oriented firms, it said.

Of the value added contributed by exporters to manufactured exports, the ratio of labor costs rose from 50.0 percent in 1988 to 56.3 percent in 1989 and 56.9 percent in 1990.

The similar ratio for domestic market-oriented enterprises was 48.1 percent in 1988, 48.8 percent in 1989 and 50.6 percent in 1990, slightly lower than the ratios for the exporting firms, it said.

Apparently because of the low margins on exports, Korean companies reportedly are concentrating more on the domestic market, while shunning exports, it said.

Sources at the central bank expressed fears that this could lead to prolonged stagnation of exports.

Officials at exporting firms were quoted as saying that it is no longer possible to earn large profits from exporting, adding that most Korean exporters are currently exporting simply to keep their plants operational.

The central bank surveyed exporters whose exports accounted for more than 50 percent of their annual turnover as well as domestic market-oriented companies for which domestic sales accounted for more than 50 percent of their annual turnover.

Farmers Rally To Exempt Livestock From Talks

SK1610020091 Seoul THE KOREA TIMES in English 16 Oct 91 p 8

[Text] Livestock farmers yesterday called on the government to make efforts to exclude key farm products such as rice and beef from the import liberalization at the ongoing Uruguay Round talks.

They adopted a five-point resolution at a rally of livestock farmers from eight organizations including the National Livestock Cooperative Federation (NLCF) at NLCF headquarters in eastern Seoul.

In the resolution, they urged the government to halt excessive imports of livestock hurting the domestic livestock production base.

The resolution said that major negotiators in the Uruguay Round talks in Geneva want to lift all import barriers without exception for free farm trade.

The move is harmful to the Korean rice and livestock industry which must be protected in view of food security, and preservation of the natural environment and major income sources for farmers, the resolution said.

In this connection, the government was asked to make all-out efforts to prevent the probable inclusion of rice and key livestock products from the market liberalization list at the multilateral talks.

The livestock farmers also recommended that the Agriculture, Forestry and Fisheries Ministry take charge of the Korea Horse Affairs Association away from the Sports and Youth Ministry to effectively nurture the livestock industry.

Burma

Finance Minister Refuses Comment on Nobel Award

BK1610020491 Hong Kong AFP in English 1714 GMT 15 Oct 91

[Text] BANGKOK, Oct 15 (AFP)—A senior member of Burma's ruling junta refused to comment here Tuesday on the Nobel Peace Prize awarded to detained pro-democracy leader Aung San Suu Kyi.

Brigadier General David Abel, the minister of finance, said he had no reaction to the news as he arrived here for the World Bank and International Monetary Fund meetings.

"I don't think anything. I don't feel anything," said Abel after his arrival at Don Muang International Airport.

Accompanied by two Burmese security men, Abel said Aung San Suu Kyi was free to leave the country whenever she wanted.

The Burmese junta has repetedly stressed that Aung San Suu Kyi, held under strict house arrest for over two years, could leave the country if she agreed to give up politics.

Asked if she would be allowed to go to Oslo in December to collect the award in person, Abel, who had been on an unofficial visit to China, said it was too premature to comment.

Despite Monday's annoucement of the peace prize in Oslo, there has been no official word on the award in Rangoon from the junta or the state-run media.

Abel said he had not been in touch with Rangoon and was unable to say what was the reaction of the government to the award.

Western Firms Accused of Helping Prop Up Junta

BK1510123591 Hong Kong AFP in English 1008 GMT 15 Oct 91

[Text] Bangkok, Oct 15 (AFP)—Scores of Western companies, including drinks giant Pepsi Cola, were accused Tuesday of helping to prop up Burma's ruling junta.

The attack came from Burma's jungle-based parallel government, forced to flee Rangoon after the military began arresting and imprisoning members of the National League for Democracy (NLD), the country's major party and clear winners of the 1990 elections.

The charges came the day after the NLD's imprisoned leader, Aung San Suu Kyi, won the Nobel Peace Prize.

"The investment these companies put into Burma is not used for the people of Burma," said Maung Maung Aye, minister of trade in the National Coalition Government of the Union of Burma (NCGUB).

"All investment is used solely for the pupose of expanding the Army and buying weapons," he said.

Major companies involved include ten oil companies, among them Amoco and Unocal from the United States, BHP Petroleum from Australia and the Anglo-Dutch Shell.

All the oil companies paid the regime millions of dollars under production-sharing agreements in 1989.

The NCGUB was formed by members of Aung San Suu Kyi's National League for Democracy (NLD) last year in territory controlled by Karen ethnic minority guerrillas near the border with Thailand.

All members of the NCGUB won seats in the May 1990 elections when the NLD won more than 80 percent of the vote.

The military regime, known as the State Law and Order Restoration Council (SLORC), has refused to accept the election result and hand over power.

Maung Maung Aye also said Asian companies, particularly ones from the Association of Southeast Asian Nations (ASEAN), including Thailand, Malaysia and Singapore, were propping up the regime which international human rights groups have said is responsible for a reign of terror in Burma.

"We have to try to make these ASEAN people understand that the democratic cause is for the people of Burma," he said.

Maung Maung Aye said the parallel government had sent letters to companies investing in Burma in an attempt to persuade them to withdraw their investments.

"We have had good responses from some of them," he said without elaborating.

Members of the parallel government said they hoped the awarding of the Nobel prize to Aung San Suu Kyi would give their cause much needed international attention and sympathy.

Sein Win, the prime minister of the NCGUB, is currently lobbying for support for his parallel government at the United Nations General Assembly in New York.

Trade Minister Receives PRC Investment Group

BK1210112691 Rangoon Radio Burma in Burmese 1330 GMT 11 Oct 91

[Text] A PRC delegation led by Mr. (Yu Yapeng), deputy divisional head of Xingjiang [as heard] state, Yunnan Province, and six members called on Brigadier General Abel, minister for planning and finance and for trade, at the Trade Ministry at 1400 yesterday and held discussions on investment activities, economic, trade, and other bilateral cooperation matters between Xingjiang state, Yunnan province of PRC and Myanmar [Burma].

Also present at the meeting were responsible personnel from the Planning and Finance Ministry and the Trade Ministry.

The investment study delegation will stay in Myanmar for about two weeks and will hold discussions on bilateral economic cooperation matters with state enterprises and the Myanmar Chamber of Commerce and Industry.

Khin Nyunt Urges Local Cooperation With Forces

BK1410095191 Rangoon Radio Burma in Burmese 1330 GMT 13 Oct 91

[Excerpts] Major General Khin Nyunt, secretary-1 of the State Law and Order Restoration Council [SLORC], accompanied by Maj. Gen. [Major General] Myo Nyunt, chairman of Yangon [Rangoon] division Law and Order Restoration Council [LORC]; Rear Admiral Than Nyunt, chief of staff of the Navy; Maj. Gen. Thein Win, chief of staff of the Air Force; Mayor U Ko Lay, chairman of Yangon city development committee; Police Brigadier General U San Thein, director general of Peoples Police Force; responsible personnel from the SLORC office; directors general and managing directors from departments and enterprises; and other responsible personnel left Yangon by military helicopters this morning at 0750 and arrived at Kayan, Yangon division, at 0815. [passage omitted]

Maj. Gen. Khin Nyunt and Maj. Gen. Myo Nyunt next met with the township, ward, and village level LORC members and departmental personnel.

At the meeting Khin Nyunt said the reason for meeting LORC members at different levels and departmental personnel of Kayan Township today was to give necessary instructions to fulfill the needs for regional security, peace, and tranquility. The armed forces rescued the country from the brink of disintegration caused by the 1988 disturbances and have been performing the four main tasks for the benefit of the country and the citizens. Although the SLORC—Defense Forces, is trying to improve the construction and other economic development activities of the country, some political parties and some illegal organizations, which are instigated by some foreign countries, are engaged in activities to disunite and destabilize the country.

Local citizens, who have enjoyed the peace and tranquility of a "White Area" for many years, have suffered because a KNU [Karen National Union] terrorist insurgent group penetrated into the Delta region and some battles took place. Some unscrupulous people from that region received those terrorist insurgents thereby providing them with a firm base for their activities. This had caused hardships for the innocent people. Whenever the Defense Forces find out where the insurgents are, they will crush them regardless of where they may be. Kayan Township is one of the peaceful and tranquil townships. The local people are also responsible not to make this peacful "White Area" into a blood-smeared area. To prevent the entire township from suffering due to the activities of some unscrupulous people, the local citizens need to cooperate with the defense services personnel, who have taken the security responsibilities, to prevent the infiltration of insurgents.

The SLORC will continue to strive for the emergence of a strong constitution in accordance with notification No.1/90. It will carry out its activities for the benefit of the country in accordance with the three main objectives [non-disintegration of the union, non-disintegration of the national solidarity, and ensuring perpetuity of national sovereignty] before the emergence of a strong constitution.

The local people, by showing their loyalty and duty consciousness, are urged to cooperate with the Defense Services in maintaining the peace and security of the region. [passage omitted]

Armed Forces Deputy Chief Inspects Bogale

BK1210084991 Rangoon Radio Burma in Burmese 1330 GMT 11 Oct 91

[Excerpt] General Than Shwe, deputy chairman of the State Law and Order Restoration Council [SLORC] and deputy commander in chief of the armed forces, accompanied by Major General Tin U, secretary-2 of SLORC and chief of staff of the army; Rear Admiral Than Nyunt, chief of staff of the Navy; Maj. Gen. Thein Win, chief of staff of the Air Force; Brigadier General Myo Thant, director of signals; senior military officials from the defense ministry; Police Brig. Gen. San Thein, director general of the Peoples Police Force; and directors general from the departments concerned left Yangon [Rangoon] by military helicopters at 0810 today and arrived Bogale at 0850.

Gen. Than Shwe and party was welcomed at Bogale by Maj. Gen. Myint Aung, chairman of Irrawaddy Division Law and Order Restoration Council and commander of Southwest military command, Brig. Gen. Win Myint, commander of no. 11 Light Infantry Division, and responsible personnel.

Gen. Than Shwe and party next proceeded to Myanaddi Hall near the riverbank. Commander Maj. Gen. Myint Aung then explained in detail matters relating to military operations, regional security and developments with the aid of maps and charts. Gen. Than Shwe after giving necessary instructions viewed weapons and ammunition seized from the KNU [Karen National Union] terrorist insurgents during the military operations at Bogale. [passage omitted]

Brunei, Malaysia & Singapore

Malaysia

Mahathir Leaves for Harare Commonwealth Meeting

BK1410045491 Kuala Lumpur BERNAMA in English 0336 GMT 14 Oct 91

[Excerpt] Kuala Lumpur, Oct 14 (OANA-BERNAMA)—Malaysian Prime Minister Dr. Mahathir

Mohamed left for Harare late Sunday to attend the Commonwealth Heads of Government Meeting (CHOGM) from Tuesday until Oct 22.

He was accompanied by his wife, Dr. Siti Hasmah Mohamed Ali.

On Tuesday morning, before the opening of CHOGM, Dr. Mahathir will chair a meeting of the high level appraisal group, which comprises 10 heads of government, to define the Commonwealth priorities.

Their recommendations are expected to be incorporated in the Harare Declaration that would come out of CHOGM and be the highlight of the meeting as it would give the direction of the Commonwealth in the 1990's and beyond.

While in Harare, Dr. Mahathir will hold bilateral meetings with several heads of government including British Prime Minister John Major and Bangladesh Prime Minister Begum Khaleda Zia. [passage omitted].

King Leaves for Jakarta Islamic Festival

BK1510061491 Kuala Lumpur BERNAMA in English 0422 GMT 15 Oct 91

[Text] Kuala Lumpur, Oct 15 (BERNAMA)—The yang di-pertuan agong (the Malaysian king), Sultan Azlan Shah, left for Jakarta today to attend the opening of the Istiqlal festival, the biggest Islamic exhibition to be held in Indonesia.

A Foreign Ministry statement says the month-long festival will display Indonesian Islamic fine arts, architecture, literature, dances, music, theatre, calligraphy, manuscripts, and Koran reading skills.

Malaysia is among the Islamic countries participating in the festival by displaying artifacts from the Islamic Centre, National Library, National Museum, and National Art Gallery.

The festival is aimed at propagating Islam as a civilisation and further sharpening the awareness of the Indonesian people and the international community on Islamic culture.

His Majesty, who is accompanied by six officials, will return tomorrow.

Singapore

Government Lowers Growth Forecast to 6.5 Percent

BK1510114391 Singapore THE STRAITS TIMES in English 15 Oct 91 p 1

[Text] The Government has revised its economic growth forecast for this year to a more cautious 6.5 to 7 percent range, down from the earlier projected 6 to 8 percent. This means that, for the year as a whole, the economy is now expected to expand at most by 7 percent instead of 8 percent.

Announcing this yesterday, Acting Prime Minister Brigadier General [BG] (Res) [Reservist] Lee Hsien Loong said this was largely because of the shaky recovery in the United States.

"MTI [Ministry of Trade and Industry] is therefore more cautious about the economic outlook than it was earlier this year," said BG Lee, the Deputy Prime Minister and Trade and Industry Minister, in his opening speech at the National Business Forum yesterday.

The forum, held at Raffles City, was to discuss the just-released Strategic Economic Plan (SEP)—Singapore's economic blueprint for becoming a developed country. It was attended by 800 participants from the business, labour and government sectors.

The main reason for the more cautious outlook is external, especially the slow U.S. recovery from the recession, said BG Lee.

Germany and Japan are expected to see moderate growth next year. The IMF and other agencies have predicted that the U.S. economy will recover in 1992, but the signals from the US economy are still mixed."

In view of the uncertainty, he advised businesses and workers to be careful not to aggravate external weaknesses by incautious domestic cost increases.'

He urged them to watch Singapore's competitiveness position and exercise moderation in wage settlements.

The SEP had, for instance, warned of a possible economic slowdown here next year or in 1993 because of rapidly increasing manufacturing labour costs and lower profitability.

But at yesterday's forum, Communications Minister Mah Bow Tan, who chaired the Economic Planning Committee which drafted the SEP, said that these indicators must be seen from an overall perspective.

"The picture is not as gloomy," he said, with other indicators, such as Singapore's increasing share of total world exports, taken into account.

During his half-hour speech, BG Lee said that in the next five years, Singapore should be able to average 5 to 7 percent growth with upgrading of the workforce and restructuring of the economy.

But he added that factors like an ageing population will affect long-term economic growth rates. This can be seen from the experience of countries such as Hongkong, New Zealand, Spain, Israel, and Ireland.

These countries, at similar levels of economic development as Singapore, are growing much slowly than the Republic, he said.

"Their collective experience gives an indication of the range of what is possible," he said, adding that the Government's long-term forecast of 4 to 6 percent for the economy "is not really that wide off the mark".

Dominating the discussions at yesterday's nine-hour forum were issues such as bonding between employers and employees, revisions to the Central Provident Fund scheme to reduce job-hopping, and whether sufficient help has been given to local enterprises to build up their businesses.

Most participants welcomed the tripartite participation in the SEP exercise, started two years ago, involving interaction in several meetings between the Government, the unions and the private sector.

Mr Tan Puay Chiang, a general manager with Mobil Oil Singapore, who attended some of the meetings, said the best part of this exercise was the exchange of views with the government sector.

And BG Lee himself said: "Such dialogues should continue... Through such consultation, business can understand the thinking and concerns of Government, even as they impress upon government and the unions their own hopes and fears for the future."

Cambodia

Ke Kimyan Receives Indian Military Attache

BK1110132991 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1200 GMT 11 Oct 91

[Text] Comrade Lieutenant General Ke Kimyan, member of the party Central Committee's Secretariat and first deputy defense minister, recently granted an audience at the "13 October" Restaurant to Colonel Mohander Puri, Indian military attache to the State of Cambodia.

Comrade Lieutenant General Ke Kimyan informed Colonel Mohander Puri of the damages caused by floods in various provinces, including 150,400 hectares of rice crops, houses, schools, hospitals, monasteries, bridges, and communications lines worth a total of $150 million.

The lieutenant general also discussed new political developments related to Cambodia which will achieve peace soon.

Colonel Mohander Puri thanked the Defense Ministry of our State of Cambodia [SOC] for creating favorable conditions for his mission in the SOC.

Heng Samrin Greets Cuban Party Congress

BK1310073091 Phnom Penh SPK in French 0406 GMT 13 Oct 91

[Text] Phnom Penh 13 Oct (SPK)—Heng Samrin, general secretary of the Kampuchean People's Revolutionary Party Central Committee, recently conveyed warm greetings to the Fourth Congress of the Communist Party of Cuba.

In his message, the Cambodian leader said in particular:

"We have followed with great interest the results that you have acheived in implementing the resolutions of the Third Congress, which focused primarily on the construction of socialism, the country's economic development, economic efficiency, and the promotion of socialist and communist consciousness.

"We note with deep satisfaction that, under the clear-sighted leadership of the Communist Party of Cuba, you have surmounted a great many obstacles in achieving your socioeconomic program with a view to improving the standard of living of the Cuban people, both materially and morally, despite the economic difficulties stemming from the unjust and inhumane embargo imposed on you by a superpower for 30 years and despite the complicated evolution of the current global situation.

"We highly value the Cuban people's heroism and great sacrifices and the steadfast commitment of the Cuban Communist Party and Government to furthering national construction on the path that they have chosen for 30 years in order to safeguard national independence and to challenge the threat of aggression posed by the international reactionary forces."

Heng Samrin reaffirmed the unshakable bonds between the two peoples and profoundly thanked the Cuban party and people for their support for the Cambodian revolution's cause, in particular the State of Cambodia's stance on the path toward finding a political solution for lasting peace and stability in Cambodia.

Government To Use Soviet Planes During Floods

BK1210070891 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 0430 GMT 12 Oct 91

[Text] The Soviet Embassy in Phnom Penh has reported that, as part of its contribution to assist Cambodian flood victims, the Soviet Government has given the State of Cambodia's Government the use of two An-24 military planes and an army trailer, which are currently in Vietnam, for emergency transportation.

The State of Cambodia's Government can use this equipment during the floods by informing the Soviet Embassy in Hanoi.

KPRP Official Visits, Distributes Flood Aid

BK1010061991 Phnom Penh SPK in French 0418 GMT 10 Oct 91

[Text] Phnom Penh 10 Oct (SPK)—Mat Ly, vice chairman of the National Assembly and also vice chairman of the Kampuchean People's Revolutionary Party's [KPRP] Control Commission, visited flood victims in Kroch Chhma and Tbong Khmum Districts, Kompong Cham Province, about 100 km northeast of Phnom Penh.

During his visit from 2 to 5 October, Mat Ly distributed to 600 bereft families 55 metric tons of rice, 4 million riels, and 13 metric tons of short-term rice seeds.

According to a report, the floods have affected 3,386 hectares of rice and subsidiary crops; 80 houses and most of the irrigation works and communications lines have been damaged.

Mat Ly stressed the efforts made by the party and government of the State of Cambodia in the search for international humanitarian aid for the victims.

Mat Ly also informed the local population of the outcome of the recent informal meeting of the Supeme National Council (SNC) of Cambodia in New York which, he said, will lead toward the forthcoming signing in Paris of an agreement to end the war.

Public Checkbook Banking Returns After 16 Years

BK1310024291 Bangkok THE NATION in English 13 Oct 91 p B5

[Text] Phnom Penh—Beginning next month, Cambodians can write their own checks for the first time since 1975.

Cambodia's only private bank, Cambodian Commercial Bank Ltd, will introduce the country's first cheque books next month to facilitate "the outcome of peace" and increased business activities that will follow the peace accord to be signed in Paris on Oct 23, according to its managing director, Wanakit Wanasin.

The bank, which was opened three months ago, is the first foreign bank to be opened in Cambodia, after the country liberalized its financial system in 1989. The Siam Commercial Bank holds 70 per cent stake with the remaining going to the National Bank of Cambodia.

During the first three months, deposits at the bank has passed the Bt [Thai baht] 10 million bench mark, which Wanakit described as "satisfactory."

"The bank is new in Cambodia. We still have to explain our services to our customers," Wanakit said, adding lots of Cambodians keep their savings in gold, due to the uncertainties inside the country during the 12-year war.

In Cambodia, gold has been used as the means of exchange since 1979 because of the volatile situation created by the civil war. Recently, the government banned free market trade in gold to stabilize the value of its riel currency. "This has strengthened the riel considerably," he said.

The estimated 250 clients of the bank, he said, are equally split between traders and ordinary people. The bank is confident the number of clients will increase next year when the country receives more foreign investment and tourists. All clients have their deposits in U.S. currency.

Vietnam invaded Cambodia at the end of 1979 and installed the Phnom Penh government. Without any banking experience, the banking officials were advised by Vietnam.

Located in the heart of Phnom Penh, Cambodian Commercial Bank has a staff of 15, of whom three are Thais.

Wanakit said the Cambodian staffers are all from the National Bank of Cambodia. "Some of them were trained in Thailand before the office opened," he added.

Besides deposits, the bank also offers a whole range of services including commercial loans, transfer of funds, foreign exchange, remittance and credit cards.

So far, he said the bank has extended over Bt1 million worth of loans to businessmen and farmers in Cambodia, at the interest rate of 18 per cent, which is similar to Thailand's. "Other criteria to determine loans are also the same," he said adding in the future, Cambodian clients could also obtain personal loans for cars or houses.

Wanakit said the remittance from overseas has increased since the bank began operations. The bank receives about Bt20 million per month as remittance from France and Australia, which have a sizeable population of Cambodians. The United States still prohibits Cambodians residing in the country to send money to their homeland.

Indonesia

Brunei Sultan, Minister Meet With Suharto

BK1510074091 Jakarta Radio Republik Indonesia Network in Indonesian 0700 GMT 15 Oct 91

[Text] Sultan Hassanal Bolkiah of Brunei, accompanied by Religious Affairs Minister Munawir Syadzali, called on President Suharto at the State Palace in Jakarta this afternoon. They held cordial talks which lasted about 30 minutes.

Sultan Hassanal Bolkiah and Malaysian Paramount Ruler Sultan Azlan Shah are scheduled to attend the opening of the Istiqlal Festival at the Istiqlal Mosque in Jakarta tonight. The festival, which will last until 15 November 1991, will be officially opened by President Suharto at 1930 West Indonesian Time.

Minister on European Industrial Agreements

BK1510104591 Jakarta ANTARA in English 0905 GMT 15 Oct 91

[Text] Jakarta, Oct. 15 (ANTARA-ECOANA)—Indonesian state-owned and national private companies have reached agreements with leading businessmen from Germany, France, and Britain for setting up joint ventures in capital goods and upstream industries in the country.

The joint ventures would be oriented to fulfilling the demand in the local and foreign market, Industry Minister Hartarto told the press here Monday after returning from his recent visit to three European countries from September 12 to October 4.

While visiting Germany, France, and Britain, the minister was accompanied by Director General of Basic Metals and Electronic Industries Suparno, Director General of Basic Chemical Industries Wardiyasa, and representatives from Indonesian state-owned and national private companies.

The government, according to Hartarto, would continue to boost the growth of capital goods industries to reduce imports of those products which had been growing rapidly in line with the rise in investments.

The development of capital goods industries is aimed at making the country self-sufficient in machinery and spare parts and saving foreign exchange.

Through the talks with government officials and the business community in the three countries, the Indonesian mission has initiated cooperation in various industrial projects in Indonesia, and the industry minister has signed memorandums of understanding for various cooperation activities.

The joint-venture projects, worth 10 to 20 million U.S. dollars each, are in heavy industries which manufacture heavy equipment, machinery and motorcars, upstream industries such as copper-smelting and petrochemical industries, and service industries.

P.T. Pupuk Kujang, a state-owned fertilizer company, signed agreement with German company Balke Duer for producing cooling towers in Indonesia.

Texmaco Group Indonesia, a local private company, tied up with the French Gazeneuve Groupe for making textile-processing machines in Cikampek and Karawang, both in West Java. The products will be supplied to the local market and Europe.

In the automotive industry, Multi France Motor Indonesia signed an agreement with Peugeot S.A. for the manufacture of car components in Indonesia.

A member of the mission explored the possibility of signing a cooperation agreement with Mettalgesellschaft, a German company, for the construction of a copper-smelting plant worth 350 million U.S. dollars with a capacity of 150,000 tons annually.

As a follow-up of the visit of the Indonesian mission, 34 British businessmen will come to Indonesia next month, and they will be followed by a business team from Germany.

The establishment of the joint ventures constitutes the realisation of a synergic concept between the economic potential and technology of Germany, France, and Britain and the Indonesian potential in developing industries which are competitive on the global market.

To increase self-reliance in capital goods and upstream industries in the country, the Indonesian Government is currently striving to improve engineering and design abilities to secure the survival and competitiveness of the industrial sector in the future.

Officials React to Upcoming Portuguese Visit

Foreign Minister Welcomes Talks

BK1410143891 Jakarta ANTARA in English 1109 GMT 14 Oct 91

[Text] Jakarta, Oct 14 (ANTARA)—The Indonesian Government is welcoming a delegation of Portuguese parliamentarians to observe the developments in East Timor and draw conclusion from them honestly and objectively, Foreign Minister Ali Alatas said here Monday.

After receiving a special envoy of Senegal's president, Mamadou Wahab Talla, he further said that the Portuguese parliamentary delegation, together with a UN delegation, probably would conduct their visit by the end of this month or early November.

East Timor is the former colony of Portugal which integrated itself into Indonesia in 1976 and became the country's 27th province ever since.

Portugal severed diplomatic relations with Indonesia shortly after the integration.

The envoy of the Senegal's president, according to Alatas, has paid a courtesy call on President Suharto and conveyed an invitation to attend the sixth summit of the Organization of Islamic Conference (OIC) in Senegal from December 9 to 12, 1991.

Alatas said Indonesia saw nothing special in the visit of the Portuguese parliament but "We do expect that the wrong perception about East Timor as reflected by the statement of Lisbon could be phased out or at least could be put in balance."

Such a situation, he went on, would open the road for consultations in the United Nations to settle the East Timor issue once and for all. To prepare the observatory visit, an "advance team" from the Portuguese parliament and the United Nations have conducted a six-day trip to East Timor starting from September 29.

According to arrangements agreed under the auspices of the UN secretary general, 32 journalists including 10 Portuguese and 10 Indonesians would accompany the delegation.

East Timor Governor Comments

BK1110140091 Jakarta ANTARA in English 0921 GMT 11 Oct 91

[Text] Dili (East Timor), Oct 11 (OANA-ANTARA)—The visit of a Portuguese parliamentary delegation to East Timor would not affect the status of the indonesiun newest province, East Timor Governor Mario Viegas Carrascalao said here on Thursday night.

The status of East Timor has been clear and it has become the 27th province of Indonesia since its integration into the republic on July 17, 1976, the governor said at a meeting with information officials.

There would be no any change in the status of East Timor because its integration into Indonesia was based on the wish of the majority of the East Timorese, Carrascalao added.

He explained that there had been voices of late that there could be a referendum which could result in different thing for East Timor, and even some said that the Portuguese parliamentary delegation to the province scheduled early nexth month would be accompanied by a UN delegation and a multi-national force.

There would be no referendum because East Timor has become an integral part of the unitary state of Indonesia, and there would be no multi-national force, the governor stressed.

All these are only rumors raised by a group of people who disliked Indonesia, tried to mislead the people and wanted to hamper the visit of the Portuguese parliamentary delegation, he added.

On the occasion, the governor called on the information officials in the province to explain to the people that the aim of the visit of the Portuguese delegation is not to investigate, but to observe development facts in East Timor.

With the visit, the delegation is expected to see a clear picture on the change and advancement of East Timor during its integration into Indonesia.

The Indonesian Government and Portugal reached a non-paper agreement in New York on June 27 on the plan to send a Portuguese parliamentary delegation and UN representative team to East Timor.

So, it is not true if a certain group of people said that the visit of the Portuguese delegation and UN team to East Timor was arranged by Fretilin, the governor concluded.

Article Views Japan's Invitation to Navy Chief

BK1310094191 Jakarta KOMPAS in Indonesian 22 Sep 91 p 13

[Article by Witdarmono: "Japanese Navy's Efforts To Boost Its Image Among Friendly Countries"]

[Excerpts] In terms of public relations and timing, the invitation extended to Indonesian Navy Chief of Staff Vice Admiral M. Arifin by his Japanese counterpart Admiral Fumio Okabe to visit Japan 9-11 September was indeed significant. Following the abortive coup attempt in the Soviet Union and the rise of a new leadership in that country, many observers believe that Japan will soon emerge as the new "security guard" in the Asia-Pacific.

"The reduction of Soviet threat in the Asia-Pacific will make the United States withdraw its forces," said Marcus Corbin, an expert from the Center for Defense Information, a leading U.S. institute of defense research.

"In the framework of security in the Asia-Pacific, it is about time for Japan to shed its own blood to defend itself, especially when international security is threatened," added Tom McNaughter from the Brooking Institute in Washington, DC.

For Japan, which has a national obsession about regaining its northern islands (Etorofu, Kunashiri, Shikotan, and the Habomai group of islands) from the Soviet Union, the withdrawal of U.S. forces from its territory may be a blessing in disguise. In 1956, the Soviet Union said it was ready to discuss the issue of the northern islands only if there were no foreign troops on Japanese soil, and, at that time, the issue involved the U.S. air base in Misawa, Aomori, not far from Vladivostok in the northern tip of Honshu. Does Japan want to kill two birds with one stone? The withdrawal of U.S. forces from Japan will probably not only enable that country to regain the northern islands, but also force it to develop its own forces to become the "security guard" of Asia.

Officially, the Japanese Government maintains that it does not want to become the "security guard" of Asia. Nor does it want to exchange the withdrawal of U.S. forces for the northern islands. When he met with Indonesian Navy Chief of Staff Vice Admiral M. Arifin on 9 September, Japanese Defense Minister Yukihiko Ikeda said: "For the sake of Asian security, the presence of U.S. forces is still necessary."

Besides, the Indonesian delegation was taken to the Japanese Self-Defense Forces' Navy headquarters at Yokosuka, 50 km south of Tokyo, as a public relations gesture. Later in the afternoon, the Indonesian Navy chief of staff, accompanied by Major General (Marine) Aminullah Ibrahim, inspector general of the Indonesian Navy and Rear Admiral Tanto Kuswanto, commander of the Indonesian Navy's Eastern Fleet, was invited to see the "Japanese Area" of the Japanese Navy Fleet headquarters at Atsugi. The Indonesian delegation's visit to Yokosuka and Atsugi took place only one day before the arrival of the 80,643-tonne USS aircraft carrier "Independence" at the U.S. military base at Yokosuka. Since Tuesday night, several Tomcat F-14 jetfighters and S-313 Viking antisubmarine patrol aircraft, earlier based aboard the aircraft carrier, had begun landing at the U.S. base at Atsugi.

At Yokosuka and Atsugi, the Indonesian Navy delegation was honored by witnessing the Japanese authorities' preparations for welcoming the arrival of the USS aircraft carrier "Independence". Why did the Indonesian delegation get this special treatment ?

In terms of Japan's international navigation, Indonesia's geographic location is very important, as the Strait of Melacca, shared by Indonesia and Malaysia, is Japan's lifeline. This remark was made by a Japanese admiral, who added that 72 percent of Japan's oil from the Middle East must pass through the Strait of Melacca. It is also a coincidence that, on 27 August 1991, the fourth Strategic Forum organized by the Indonesian Navy announced that there are three maritime channels, which are considered safe, economical, and easy for purposes of navigation. The three channels are areas located between the Straits of Sunda and Karimata, between the Straits of Lombok and Makasar, and between the Seas of Banda and Maluku.

Japan has waited for such announcement for a long time, and the invitation extended to the Indonesian Navy chief of staff to visit that country can be intrepreted as having "certain motives." It was the first official invitation ever extended to an Indonesian Navy chief of staff by the Japanese Navy. How do we now intrepret Japan's public relations move? [passage omitted]

The Strait of Melacca will indeed be very vital to Japan in 1992, because the strait will have to be used to transport plutonium from France or Britain, which Japan needs for its fast breeder reactor [three preceding words in English] power plants. The ship carrying plutonium, an essential ingredient of the atomic bomb dropped in Nagasaki, will have an escort ship [two preceding words in English] built at a cost of 20.3 billion yen or 284.2 billion rupiah and armed with 35-mm and 20-mm guns.

As the special escort ship, which is capable of sailing nonstop without refueling, is already owned by Japan's coast guard forces, many circles have begun questioning the technology of building and operating such special ships. When Japan is able to produce one such ship, producing more will not be difficult. As such, Japan's mastery of technology to build nuclear-powered ships will be a source of worry for its neighboring countries. At the same time, the Strait of Melacca will be very crucial to the success of Japan's project in 1992, and Japan has therefore tried to strengthen its ties with Malaysia and Indonesia. Japan's public relations task is to remove all suspicions concerning a possible revival of its militarism, which was prevalent in the 1930's. [passage omitted]

Laos

PRC Trade Union Delegation Arrives on Visit

To Discuss Bilateral Relations

BK1110110291 Vientiane KPL in English 0902 GMT 11 Oct 91

[Text] Vientiane, October 21 (KPL)—A high-level delegation of the Chinese Trade Union led by its president, Nijifu, yesterday met here with its host delegation from the Lao Federation of Trade Union led by its president, Mr. Bounthan Souvannasouk, to discuss their bilateral cooperation.

The Chinese Trade Union's delegation arrived here yesterday on an official visit to Laos at the invitation of the Lao Trade Union Central Committee.

Trade Union Chief Comments

BK1510034091 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 15 Oct 91

[Text] During his visit to Laos, which has been made at the invitation of the chairman of the Federation of Lao Trade Unions, Ni Zhifu, vice chairman of the National People's Congress and chairman of the All-China Federation of Trade Unions, gave an interview to Lao correspondents on the morning of 12 October at the Lan Xang Hotel in Vientiane Capital. He noted that the relations and cooperation between China and Laos, particularly between the trade unions of the two countries, have existed for a long time. He pointed out that the two sides will strive to further strengthen such relations and cooperation in the immediate future.

The chairman of the All-China Federation of Trade Unions also noted that, following his delegation's visit to Laos, the relations between the two trade unions have become even closer and more beneficial to both sides. The two delegations also exchanged views on their respective situations.

Earlier, Ni Zhifu said that, even though his visit to Laos was very short, he could see that beautiful Laos is rich in natural resources, and its future development will be promising, because the Lao laboring people will be able to build and develop the country along the path of restructuring outlined by the Lao People's Revolutionary Party under its leadership.

Oudom Khatthi-gna Receives PRC Delegation

BK1410141491 Vientiane KPL in English 0905 GMT 14 Oct 91

[Text] Vientiane, Oct 14 (KPL) - Mr. Oudom Khatthi-gna, Politburo member of the Lao People's Revolutionary Party Central Committee, secretary of the Vientiane Municipal Party Committee, on October (?13) received here a delegation of Yunnan Province of China led by its administration vice president.

Oudom khatthi-gna on the occasion described the Yunnan delegation's visit here as contributing to the fruitful development of Lao-Chinese relations and cooperation, in paticular those between Vientiane and Yunnan.

Friendship Delegation Returns From DPRK Visit

BK1510034491 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 15 Oct 91

[Text] The delegation of the Laos-Korea Friendship Association, led by Maisouk Saisompheng, member of the party Central Committee, chairman of the Lao Front for National Construction Central Committee, and chairman of the Laos-Korea Friendship Association, returned to Vientiane on 11 October after participating in the International Week of Solidarity activities in support of the struggle for Korea's peaceful reunification.

During the week, the delegation participated in a march for international solidarity with for the Korean people held in Pyongyang. The march was joined by more than 200 delegates from Asia, Africa, and Europe. It was staged in three cities, Pyongyang, (?Sariwon), and (?Kangdong), and was watched by tens of thousands of onlookers along the streets.

During the visit, the Lao friendship delegation also held talks with its Korean counterpart and the Democratic Front for the Reunification of the Fatherland. In addition to informing each other of their respective activities, the two sides also reaffirmed that the two sides still remain unanimous and continue to maintain their cooperation while facing the changing international situation. The delegation also visited a number of social, cultural, and economic foundations in the DPRK.

Chairman Comments

BK1610054391 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 15 Oct 91

[Text] On the occasion of the 15th founding anniversary of the Lao Committee in Support of the Peaceful Reunification of Korea on 13 October, Maisouk Saisompheng, member of the party Central Committee, chairman of the Lao Front for National Construction Central Committee [LFNC CC] and chairman of the Laos-Korea Friendship Association, gave an interview to local correspondents this morning on relations between the Lao People's Democratic Republic [LPDR] and the DPRK, especially the activities of the Lao Committee in Support of the Peaceful Reunification of Korea and the Laos-Korea Friendship Association in the past 15 years.

The LFNC CC chairman said that the victory won by the Lao people in the national liberation struggle has contributed, both materially and spiritually, to the struggle of the fraternal Korean people. At present, the multiethnic Lao people continue to render full support to the just struggle of the Korean people for peaceful reunification of their country. In addition, over the past two years and longer, the Lao committee in Support of the Peaceful Reunification of Korea, in close coordination with the Laos-Korea Friendship Association and the DPRK embassy, have organized a series of meetings, film shows, photo exhibitions, lectures, and propaganda campaigns on the achievements of the Korean people in national construction and their efforts to reunify the country.

Maisouk Saisompheng, in his capacity as chairman of the Laos-Korea Friendship Association, also led a Lao delegation to pay a visit to the DPRK from 28 September to 10 October to participate in the International Week of Solidarity with the Korean People held in Pyongyang. During the visit, the Lao delegation joined an international march in solidarity with the peaceful reunification of Korea held in Pyongyang, (?Sariwon), and (?Kangdong). The delegation also held amicable talks with the delegation of the Korea-Laos Friendship Association to exchange lessons of the activities carried out by the two associations. The visit by the delegation of the Laos-Korea Friendship Association to the DPRK constituted a form of efforts to consolidate and to develop mutual cooperation, relations, solidarity, support, and assistance between the two countries.

Lao, Thai Joint Military Committees Meet

BK1210130991 Vientiane Vitthayou Hengsat Radio Network in Lao 0430 GMT 12 Oct 91

[Text] On the afternoon of 10 October, the Lao and Thai joint military committees held a regular meeting at Laos' Mouang Phe village in Na Bonoi canton, Boten District, Sayaboury Province, to discuss the work of the past month. The Lao side was led by Colonel Phommachak Southhisan, head of the Lao-Thai Joint Military Committee, and the Thai side was led by Colonel Samroeng Chantharukha, head of the Thai-Lao Joint Military Committee.

Col. Phommachan Southisan, head of the joint military committee of the Lao side, chaired the meeting and described a certain situation which had developed over the past month. He noted that the situation along the Lao-Thai border appeared to be as peaceful as normal and that both sides had followed the desire of the two governments and peoples to see peace maintained along the border and good-neighborliness established between the two countries. He also pointed to certain remaining problems and a disturbing incident that took place between Thai border police and [Lao] people in Mouang

Siangdan, Pha Keo, and Phou Dou areas. The Thai side had acknowledged the incident had taken place, as informed by the Lao side, and it had agreed to investigate and settle the matter to prevent the reoccurrence of such an undesirable incident.

The two sides also discussed means to appropriately settle all incidents occurring along the common border in a timely manner in order to turn the border into a border of durable peace and friendship.

Japan To Aid Plan To Halt Slash, Burn Policy

BK1110104691 Vientiane KPL in English 0904 GMT 11 Oct 91

[Text] Vientiane, Oct 11 (KPL)—A note of exchange on Lao-Japanese cooperation to restrict slash and burn cultivation in northern Oudomsai Province was signed here yesterday between the two governments.

Signing on behalf of the sides were Mr. Kou Chansena, director of the Ministry of Agriculture and Forestry's Planning Department, and Mr. Kawaka Mitulu, director of JICA's [Japan International Cooperation Agency] Technical Department for Agriculture and Fishery.

The note provides that the sides will cooperate in socio-economic surveys in Oudomsai, with expertise provided by the Japanese Government. This will be a project to end slash-and-barn cultivation by arranging suitable farming for people in the province.

The project will also be supported by the Japanese Government.

LPRP Message Greets Cuban Party Congress

BK1110112191 Vientiane KPL in English 0910 GMT 11 Oct 91

[Text] Vientiane, October 11 (KPL]—The Lao People's Revolutionary Party Central Committee yesterday sent a message of greetings to the 15th Congress of the Communist Party of Cuba.

The message expressed warm congratulations to the congress and, through it, to all Cuban communists and fraternal Cuban working people.

The message hailed the achievements of the heroic Cuban people under the leadership of the Communist Party of Cuba headed by Comrade Fidel Castro in the national defence and construction through all difficulties, thus giving a new face and progress to the Republic of Cuba.

The message expressed belief that this important event of the Communist Party of Cuba would contribute to the country's prosperity and well-being of the Cuban people.

"The Lao People's Revolutionary Party always supports the Cuban party's tasks and we reaffirm that we will do our best to strengthen and promote the friendship, solidarity, and cooperation between our two parties, states, and peoples for the interest of the two peoples and for peace and security in the world," the message added.

Viangthong Residents To Face Rice Shortage

BK1410140691 Vientiane KPL in English 0929 GMT 14 Oct 91

[Text] Vientiane, Oct 14 (KPL)—Viangthong people of northern Houa phan Province in 1992 are expected to face a shortage of rice amounting to 2,000 tons because their 681 hectare planted rice was damaged by rats and insects.

Meanwhile, it is reported that Sam Tai people of the same province will also face a shortage of rice at the end of 1992. Forty hectares of upland rice there were ravaged by rats.

More Refugees Return Home in Southern Province

BK1110101691 Vientiane KPL in English 0908 GMT 11 Oct 91

[Text] Vientiane, October 11 (KPL)—Some 45 families comprising 152 Lao refugees returned home early this month under a voluntary repatriation program implemented by the Lao and Thai Governments with the UNHCR [United Nations High Commissioner for Refugees]

A ceremony to welcome the refugees was held at Songmek border crosssing between Lao Phonthong and Thai Phibun Mangsahan Districts.

On the day they reached the welcome center in Phonthong District, each refugee received some relief from the UNHCR representative, such as 25,000 kip and 200 kg of rice.

Philippines

Communist Rebels Admit Holding Missing American

HK1610094791 Hong Kong AFP in English 0937 GMT 16 Oct 91

[Text] Manila, Oct 16 (AFP)—Philippine communist rebels admitted Wednesday abducting a missing American man one year ago, and indicated they were prepared to free him soon if certain conditions were met.

The New People's Army (NPA) command in nothern Luzon island said in a statement that Arbie Duane Drown was "apprehended last October 1990" off Aparri town in Cagayan province during a military operation in the area.

"He was found travelling without any proper personal identification and travel documents, and with dubious reasons to be in that area at such a time," said the statement sent to news agencies here.

It said the American, said to be a retired U.S. army major who fought in the Korean War, was "in good physical condition" after a year in captivity.

Earlier reports said Drown was abducted by suspected NPA gunmen while riding a bus in Cagayan. His disappearance had remained a mystery until Wednesday's statement from the insurgents.

The NPA said continued military operations over the past year "interferred in our verification" of Drown's identity.

The NPA has long alleged that Americans are taking part in Manila's counter-insurgency campaign, which U.S. officials deny. Eight Americans, mostly servicemen, have been assassinated by the NPA since 1987.

The statement urged Drown's family to "initiate a link-up and direct negotiations with us" through the church or press and "produce his proper identification, and to help us meet other favorable conditions, so that we can make our proper course of action in the soonest time possible."

The U.S. Embassy in Manila had no immediate comment on the NPA statement.

An embassy source said they had been sending embassy staff to Cagayan over the past year and had found no trace of Drown.

Communist Rebels Urge Acceptance of Cease-Fire

HK1610093691 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 16 Oct 91

[Text] The communist rebels have called on the government to accept the National Democratic Front's [NDF] earlier offer of unilateral cease-fire to find long-lasting peace. In a statement sent to the media, Leopoldo Mabilangan, alias Comrade Hector, of the New People's Army [NPA] Banahaw Command in Quezon Province, criticized the Aquino government because, instead of accepting the offer, it has intensified military operations in Marag Valley, Bondoc Peninsula, and in areas suspected to be NPA rebel lairs. Comrade Hector stressed that the problem of the 20-year insurgency cannot be solved by the government's local cease-fire. Mabilangan said that, if the Aquino government really wants a lasting peace, it must accept the NDF's proposal of a unilateral cease-fire. Comrade Hector challenged the government to prove its wish for peace through its actions, instead of launching attacks and supporting the Americans' interests.

Military Rebels Demand Immediate U.S. Pullout

HK1610081991 Manila THE CHRONICLE in English 16 Oct 91 p 6

[By Manny Mogato]

[Text] Immediate withdrawal of U.S. military forces from their intallations here is one of the major political demands of the military rebels, AFP [Armed forces of the Philippines] chief Gen. Lisandro Abadia said yesterday.

A copy of the two-page draft position paper which was prepared by a seven-man RAM [Reform the Armed forces Movement] secretariat was submitted to Abadia this week.

"Parang pareho sa National Democratic Front (NDF) ang mga demand nila, [their demands appear to be similar with that of the NDF]" he told reporters after presiding over a turnover of command ceremony at Camp Aguinaldo. "I really cannot remember all their demands but some of the lines are similar to that of the NDF."

Sources close to the chief of staff said some of the political demands were the immediate implementation of a genuine agrarian reform, political and electoral reforms, a halt to the rampant graft and corruption in the government and in the military organization, the restructuring of the economy which include a moratorium on debt payment, the nationalization of major industries and the break up of multinationals, and the immediate withdrawal of U.S. troops in the country.

Intelligence officials described the list as similar to the program of government which was developed by the Young Officers Union (YOU) and its political arm, the Democratic Front for Filipinism [DFF].

Last year, the YOU-DFF announced its plan to link up with communist guerrillas and revealed a program of action which is identical with the communist NDF's 12-point program of action.

These political demands were presented to Abadia before he leaves for Indonesia today. Abadia declined to elaborate more on the other demands, saying he could not remember them anymore.

The seven-man RAM secretariat drafted the position paper at the former quarters of ex-Lt. Col. Gregorio "Gringo" Honasan inside Camp Aguinaldo.

The submission of the RAM-SFP [Soldiers of the Filipino People] YOU political demands was seen as the first major step that could bring the projected right-wing forces and government negotiations to a higher and substantive level.

Meantime, Abadia yesterday declined to comment on the statement made Monday by House Speaker Ramon V. Mitra Jr. taht coup leaders Honasan and nine others will not surrender by the end of this month. "I don't want to contradict him," he said, adding that he remained optimistic that the military rebels would surface this month.

Aquino Dismisses Demands

HK1610104591 Quezon City Radyo ng Bayan in Tagalog 1000 GMT 16 Oct 91

[Text] At Malacanang, President Aquino dismissed the new demands made by rebel soldiers as a requisite for them to start negotiating with the government on their surrender. Here is Tanny Rodriquez for the details.

[Begin Rodriguez recording] It has been reported that one of their political demands was the expeditious withdrawal of American troops from the country. The president said that she does not believe that the right-wing rebels are in any position to make demands [sentence as heard].

It can be remembered that the president set aside the issue of granting amnesty to surrendering rebel soldiers with the statement that the granting of amnesty may be a possibility.

In line with this, General Lisandro Abadia, Armed Forces chief of staff, reported to President Aquino that his and House Speaker Mitra's negotiations with military rebels were successful. [end recording]

General Abadia Says Rebels' Demands Similar

HK1610063691 Quezon City Radyo ng Bayan in Tagalog 0524 GMT 16 Oct 91

[By Josette Olivera in Camp Aguinaldo]

[Text] The demands of the Reform the Armed Forces Movement-Soldiers of the Filipino People, or RAM-SFP, are almost the same as those of the Communist Party of the Philippines, the leftist group.

General Lisandro Abadia, Armed Forces chief, said this when asked about the contents of the draft position paper he received from the ultra-rightist group. Abadia mentioned a few demands contained in the draft, such as the immediate removal of the U.S. military bases in the country following the Senate's rejection of the new treaty. This is also one of the conditions being demanded by the communist rebels.

In addition to this, they asked for the genuine implementation of comprehensive land reform, electoral reforms, and social justice, especially for the poor. According to Abadia, most of the conditions set by the rightist group in exchange for their return to government control are political.

Nonetheless, Abadia stressed that the group will have to submit the final copy of their position paper before he brings it to President Corazon Aquino in Malacanang. He expects to receive the formal demands of the military rebels on 23 October after he returns from Indonesia. Abadia earlier expressed his belief that 11 leaders of the military rebels, including renegade soldier Colonel Gregorio Gringo Honasan, will surrender this month.

Says Surrender May 'Fall Through'

HK1610081391 Quezon City MALAYA in English 16 Oct 91 p 1

[By Noel Bartolome]

[Excerpts] Gen. Lisandro Abadia, Armed Forces chief, yesterday said the surrender this month of former Lt. Col. Gregorio Honasan and other top military rebel officers might fall through because of Malacanang's failure to act on their demands.

Abadia, who is leaving today for a one-week visit to Indonesia, said the rebels leaders wanted the government to grant "at least half" of their 20 demands before they turn themselves in. [passage omitted]

Abadia said he is still hopeful Malacanang would act on the more "reasonable" demands of the rebels.

"There is still time this month for further negotiations with the rebels as I will be back on Oct. 23," Abadia said. [passage omitted]

Military To Take Custody of RAM-SFP Leaders

HK1510023191 Manila MANILA BULLETIN in English 13 Oct 91 p 16

[By Aris R. Ilagan]

[Text] The Armed Forces of the Philippines (AFP) has prepared custodial arrangements for former Army lieutenant colonel Gregorio Honasan and other leaders of the outlawed Reform the Armed Forces Movement-Soldiers of the Filipino People (RAM-SFP) in view of their scheduled return to military control before Oct 31.

The custodial arrangements for the top ranking RAM-SFP leaders were mapped out during a recent conference held in Camp Aguinaldo, Quezon City, on the basis of Article of War No. 70 which allows suspected military offenders to be placed in the custody of their immediate superiors, it was learned.

Military authorities said that the AFP top brass have agreed that Honasan, who is considered the most influential RAM-SFP leader, will be the only rebel officer to be placed in the custody of AFP chief of staff Gen Lisandro C. Abadia. While in custody, Honasan will be subject to restrictions to be imposed by Abadia, such as limited access to certain areas and strict compliance with AFP-designed security arrangements.

Former Air Force brigadier general Jose Ma Zumel will be placed in the custody of Maj Gen Loven Abadia, Air Force chief, while former Navy commodore Domingo Calajate will be in the custody of Rear Admiral Mariano Dumancas Jr, Philippine Navy chief, military authorities said.

Maj Gen Arturo Enrile, Army chief, will take charge of dismissed Army junior officers who are also expected to return with Honasan.

Rebel Constabulary officers will be assigned to Director General Cesar Nazareno of the Philippine National Police.

During the 365 Breakfast Forum at the Hotel Inter-Continental Manila, Abadia said Honasan and his group will be placed under house arrest. "But there will be no handcuffs... no nothing," he said.

The AFP chief said that theyw ill be given "honorable treatment based on the gentleman's agreement" forged by both him and Honasan's group.

Abadia said that he also ordered the released of key RAM-SFP officials who were placed under detentionin Camp Aguinaldo. They will be placed under house arrest.

Among those to be placed under house arrest are former Air Force brigadier general Jose Commendador, former Air Force brigadier general Edgardo Abenina, former Army brigadier general Marcelo Blando, former Marine colonel Romelino Gojo, and former Constabulary lieutenant colonel Vic Batac.

The RAM-SFP officials have been cooperative in the efforts of the government to establish peace negotiations with Honasan's group since Abadia started the move last April.

The AFP chief recommended to Defense Secretary Renato S. De Villa the transfer of 20 convicted military rebels from the National Penitentiary in Muntinlupa to the new AFP Custodial Center in Fort Bonifacio, Makati.

Among those serving a 12- to 20-year jail terms for their involvement in the series of coup attempts are former Constabulary colonel Oscar Canias and former Constabulary major Reynaldo Cabauatan.

YOU Rebels To Fight Despite Honasan Surrender

HK1510035591 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 14 Oct 91

[Text] A former member of the Revolutionary Nationalist Alliance believes former Colonel Gregorio Gringo Honasan and former Commodore Domingo Calajate are now in military custody. The official stressed that Armed Forces of the Philippines [AFP] chief of staff General Lisandro Abadia would never say that the 10 Reform the Armed Forces Movement [RAM] leaders are returning to the military if they are not under his control.

The official is still an active member of the AFP, and he said it is not true that the Honasan and Calajate group can still move about freely. Nonetheless, the RAM official stressed that Honasan's surrender will not lead to complete peace within the military. He said that change among the government's officials is needed to stop rebellion in the ranks of the AFP.

Meanwhile, a high-ranking official of the Young Officers Union, abbreviated YOU, declared that they will continue their struggle against the present administration despite the surrender of former Colonel Gringo Honasan, former Commodore Domingo Calajate and other leaders of the Revolutionary Nationalist Alliance, abbreviated RAM.

The official said that 95 percent of the YOU members favor reforming the government and the coming administration. He stressed that the movement's decision has not changed, but it has even become stronger since most of the new military officers and Philippine National Police members joined.

The official, who requested anonymity, also revealed that the root cause of the previous coup d'etats have something to do with the present societal problems, including monopoly, greedy capitalism, graft and corruption, among others, that alter the government's functioning. The official said they will continue their fight against the government as long as they do not see any change in its administration.

Mitra Says Military Rebel Peace Talks Hit Snag

Cites Accusations

HK0710025991 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 6 Oct 91

[Text] House Speaker Ramon Mitra Jr. has said that the surrender of rebel soldiers to the government may no longer be possible since he was accused of using the Reform the Armed Forces Movement-Soldiers of the Filipino People-Young Officers Union for his own political ends in the next year's election.

Mitra admitted that the surrender negotiations that he is mediating with the rebel soldiers have suffered a setback due to the negative reports that have been made. Mitra said his hopes have dimmed about bringing Honasan's group back to government control to end the ongoing rebellion in the military. Nonetheless, the house speaker expressed hope that things will be fixed, and he can again talk with the leaders of the rebel soldiers to show his sincerity about his negotiations with them.

Denies Accusations

HK0810105291 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 8 Oct 91

[Text] House Speaker Ramon Mitra Jr. has strongly denied accusations that he has been using his negotiations with the right-wing rebels, headed by Colonel Gringo Honasan, to further his political campaign. In an interview with Louie Beltran, Speaker Mitra also denied that he had posters made of him and Honasan to be used for his campaign in the coming elections. He said that these rumors were simply meant to ruin their efforts to resolve the conflict between the rebel soldiers and the government.

Here is part of House Speaker Ramon Mitra Jr.'s explanation:

[Begin Mitra recording] [statement in progress] ...they would just like to ruin our efforts. I would just like to get this over with so that we can simply set this aside. I am doing this because I believe I have something to contribute to our stability.

If I could do something more, then I would do it. But this cannot last any longer. If there are still no results over the upcoming days, then we should just leave it up to them. It seems that they do not want anyone interfering in this matter. But I believe that it's every citizen's duty to do something if he is given the opportunity." [end recording]

Defense Secretary Shows Support

HK0810104991 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 8 Oct 91

[Text] In the public hearing being conducted this afternoon, Secretary Renato de Villa, of the Department of National Defense, said that he does not object to the resumption of talks between House Speaker Ramon Mitra Jr. and Commodore Domingo Calajate.

De Villa also said that the ultra-right group is having problems. He added that the group is already breaking up due to differences in opinion on certain issues.

De Villa said that General Lisandro Abadia, Armed Forces of the Philippines chief of staff, has asked the rebels to write down their demands in order that they may be decided upon immediately.

[Begin De Villa recording in English] I think General Abadia [changes thought] ... he has informed me that he has demanded from them to put what they want in writing so that it will be easier to process and so that we can get into a decision much more efficiently. [end recording]

Andolana Assails Ruling on Warrantless Arrests

HK1610103391 Manila PHILIPPINES NEWSDAY in English 16 Oct 91 pp 1, 2

[By Mariquit Almario]

[Text] Representative Gregorio Andolana (LDP [Struggle of Filipino Democrats], North Cotabato), a leader of the so-called progressive bloc in the House of Representatives, yesterday assailed the Supreme Court [SC] decision upholding the constitutionality of warrantless arrests.

Andolana said since the high court allowed the arrest of government rebels without warrant, the statistics for this kind of arrest had increased.

He noted that since January 1989, one warrantless arrest was being committed every three hours and 56 minutes.

Citing records of the Task Force Detainees, Andolana said some 6,729 persons were illegally arrested in the last 33 months.

"Statistics show that the incidence of warrantless arrests shot up when the high court ruled it as legal in the celebrated Umil case," he said.

The high tribunal earlier ruled in favor of warrantless arrests in the Umil vs ramos case. An appeal for reconsideration was field, but the high tribunal upheld its earlier decision.

Andolana warned of increased illegal arrests by government authorities by simply identifying some persons as leftist or rightist rebels.

He added that some "corrupt" policemen might even use the high court's decision in extorting money from individuals by threatening them with a warrantless arrest.

"The SC's commandments are chilling: police and military personnel can now nab and hold without bail any person who in their imagination is a subversive," the solon said.

Meanwhile, Representative Bonifacio Gillego (LDP, Sorsogon), another leader of the bloc, urged Malacanang to play a bigger role in the efforts of the government to conduct peace talks with all rebels.

Gillego noted that all attempts at a ceasefire had failed due to the "hands-off" policy of Malacanang during the exploratory talks on peace negotiations.

He said Malacnanag usually left it to the military institutions to negotiate with the rebels, allowing the talks to discuss only military aspects.

But the rebels, specifically the communist insurgents, would like to discuss other aspects including the political and economic situation in the country, Gillego said.

Editorial Warns of Aquino-Backed 'Yellow Army'

HK1510033191 Quezon City MALAYA in English 15 Oct 91 p 4

[Editorial: "Unifying the AFP (Armed Forces of the Philippines)"]

[Text] Gen. Lisandro Abadia, AFP chief of staff, has been racing full speed ahead with his negotiations with Lt. Col. Gregorio Honasan and other military rebel leaders without looking left, right or behind and, more significantly, without bothering to find out if President Aquino knows or approves of what he is doing.

For example, the decision of Honasan and seven other coup leaders to "return to military control" this month was sensational news. This was a big plus for the government. On the sound principle that all good news must be announced by the President and all bad news by her underlings, that development should have been broadcast, fanfare and all, by Malacanang.

It wasn't. Abadia announced it. "I made an agreement with Honasan," he said. "They will return to military control this month." And that was that. He went on to say that Honasan and company will not be handcuffed or jailed. He stressed they will be treated honorably.

Malacanang had to scramble to dispel the impression that it wasn't part of the action and didn't know what was going on. A Palace spokesman said lamely everything Abadia was doing was within the parameters President Aquino and he had agreed on. The latest development is that President Aquino has said she is not inclined to extend amnesty to either rightist or leftist extremists. Abadia has said nothing and has maintained a disdainful silence.

The AFP chief of staff still has to spell out what the rebels' "return to military control" means. Will they rejoin the active ranks of the AFP? Will they be given clean bills of health—no investigations, no prosecutions, no trials? Or will they be called to account for the fatalities and the wounded and the destruction of property during the past coup attempts? Will they be given amnesty?

Abadia may appear to some as pushing his luck and going for broke in his effort to unify and consolidate the armed forces with minimal reference to what Mrs. Aquino may think or want. He has spread the net of reconciliation to include even Brig. Gen. Jose Zumel, a die-hard Marcos loyalist, and his comrades. Normally this should be an absolute no-no for Mrs. Aquino and her family, but thus far they have not registered any objections.

Since Mrs. Aquino came to power reports have been persistent that her family and relatives—Kamaganak [Relatives], Inc., which has everything to lose if she doesn't run for and win a second term—have been funding the training of a private army, known as the "Yellow Army," for their own purposes. This army, operates totally apart from the regular AFP, is said to be trained by Israeli experts and commandos, and its troops earn much more and enjoy better perks and privileges than the regular AFP. It is, of course, clearly an extra-constitutional, unlawful army, but if Mrs. Aquino not only tolerates but fully supports it, what can anyone do?

Has General Abadia embarked on a crusade to extirpate the defiance and usurpation posed by this sinister, bastard army? Is he out to assert the unchallenged, indisputable legitimacy and supremacy of the AFP? Is he preparing to wipe out the Yellow Army and restore the rule of sanity and the law in this country? If these are his clear objectives, he can expect and depend on the overwhelming backing of the Filipino people.

Some recent history may be instructive. In Haiti, when Gen. Raoul Cedras, chief of the armed forces, moved to overthrow President Jean-Bertran Aristide, one of the reasons he and his fellow-officers offered for their decision was that the latter was training a private army of his own, also better-paid and better- provisioned, to ensure his indefinite stay in power. Aristide was deposed and was lucky to escape with his life; he had been captured by rebel soldiers but was released on the entreaties of some foreign ambassadors. Now there is worldwide agitation for his return to Haiti and restoration, but thus far it has made little impression on Cedras couldn't tolerate two separate armies in his country. And Abadia?

Editorial Warns of Dangers to Peace Efforts

HK1510081391 Manila PHILIPPINE DAILY INQUIRER in English 13 Oct 91 p 4

[Editorial: "Now for the Hard Part"]

[Text] The front door is in place. What remains to be done by that foremost architect of military reconciliation, Gen. Lisandro Abadia, is to test the solidity of his wide open-door policy for the coup plotters before we can come up with an appraisal that his house is in order.

For sure, Abadia is about to find out that building the edifice of unification since he assumed office in July, block by stumbling block, was easier done as well as said (Curiously, Abadia conducted a running commentary on the progress of the "secret" negotiations).

And now for the hard part. How to keep politicians from getting through the door,if they haven't already, and going into their act of getting elected to office on a platform of a "healing presidency". See it now, rebels rushing back into the arms of the law. Thanks to a presidentiable-peacemaker, whichever comes first.

Politicians who have gate-crashed into the Abadia domain have proposed unconditional amnesty for rebels, left, right and secessionist. But how are they to compute reconciliation with justice?

How does Abadia square off justice with the unconditional safe conduct passes given the rebel military allowing them even now freedom of movement subject only to the permission of their respective custodians, who, it must be carefully noted are themselves military men. Is this justice by roaming around? Cheers for camaraderie.

Abadia has said the band of roaming rebels are on "arrest status". But as they "surface", so do their demands. In escalating order, too. Electoral reorms. Removal of corrupt officials. Good government. A constitutional succession. A constitutional rescue of the Republic. Good, good. Some of them, anyway. The rest merely restate—as though we need reminding—their crimes of rebellion, that they have staged seven coups, devastated the economy, destroyed human lives and nearly crushed our people-powered democracy.

Justice demands they can't make demands. Thogh in no position to draw up a position paper, the leaders of the military rebel movement have put their pricey heads together to produce such a document inside the house of a former chief of staff at Camp Aguinaldo. Talk of fair treatment...

To be sure, the hardest part is yet to come. Will the house that Abadia built hold up under the weight of the mystique that has shrouded the underground military like an invincible shield? Which does not mean the rebel soldiers have outsmarted their pursuers everytime. The real story is that the military men assigned to look for them had not been exactly looking. When they really looked and sighted their brothers on the run, they quickly looked the other way.

Don't ask why the Armed Forces has demonstrated much reluctance to turn against its own. The answers are in the question which by themselves are mystique-enhancing, take Honasan winning all his guards to his side, escaping with them from his prison ship. Instances can be cited of the highest military officials who launched massive operations against the rightist enemies of the Republic on one hand while with the other gave them aid and comfort.

To compound the mystique of the mutinous is that among the men in uniform, they are the best, the brightest, the most daring. The kind of guys who started us on the high road to ESDSA [Epifanio de los Santos Avenue]. Our kind of guys once upon a time. No one can take that away from them. Not Abadia.

What about this recurring image of the rebel soldier as a hunted reformist whose "dreams shall never die"? In our miseries, we Filipinos are suckers for dreams and dreamers. What's Abadia to do with deathless dreams? It would be like fighting windmills.

He is reportedly worried by the reception the resurfaced rebels will get, that it could turn into a media event or worst, like one big circus like the on and off homecoming of the Marcoses. Already, he has made an appeal to the media not to treat them like celebrities. By that alone, Abadia piles yet another layer of mystique about the coup plotters and invests them with the aura of returning heroes. Abadia, masterly builder, is up against the stuff of which legends are made.

Masbate Rebel Leader Makes Peace Overture

HK1510090291 Quezon City MALAYA in English 12 Oct 91 p 2

[Text] The PNP [Philippine National Police] command in Bicol has received feelers for peace negotiations from a top communist leader in Masbate, Chief Superintendent Miguel Fontanilla, chief of the PNP Regional Command [Recom] 5, bared yesterday.

Fontanilla told newsmen that Nelson Adorz, secretary general of the Masbate Island Party Committee, has sent an emissary to Recom 5 authorities last week.

Adorz could be the first NPA [New People's Army] commander to show interest in local peace talks, which the National Democratic Front had earlier rejected.

A two-week ceasefire was declared in Masbate following a directive issued to all police fieldcommanders by PNP Director General Cesar Nazareno to initiate local peace talks with New People's Army guerrillas in the provinces.

Gen. Lisandro Abadia, Armed Forces chief of staff, has also directed all Army regional units to start negotiations with local rebel forces

Two Communist Rebel Leaders Captured in Raid

HK1410104491 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 14 Oct 91

[By Fernan Imberga]

[Text] The Bulacan Philippine National Police [PNP] Command has arrested two top officials of the Bulacan Provincial Party Committee of the Communist Party of the Philippines-New People's Army. Senior Superintendent Efren Fernandez, the Bulacan PNP Director, identified the two high-ranking officials of the underground movement as Perfidio Tigas, alias Marvin, and his party wife, Amarita Nasar, alias Normy. The two were captured in a raid on a rebel safehouse in barangay Binabag, Angat, Bulacan, by intelligence operatives of the 145th PNP Mobile Force Company headed by Chief Inspector Oscar Ayatioco. According to Colonel Fernandez [title as heard], Tigas is the current political officer of the guerrilla district unit operating in the eastern part of Bulacan. His wife Nasar, meanwhile, is the head of the educational propaganda and finance department of the provincial party committee code named Mapua. The two are undergoing tactical interrogation at the headquarters of the 145th PNP Mobile Force Company in San Jose Del Monte, Bulacan.

Three Communist Rebels Killed in Aurora Clash

HK1410105391 Manila THE MANILA CHRONICLE in English 14 Oct 91 p 3

[Text] Fierce fighting between government forces and communist guerillas erupted in Aurora province as the high command of the New People's Army [NPA] rebels declined repeated police and military offer to hold localized peace talks.

Reports reaching Camp Crame said three "red warriors" were killed while three others were captured during an hour long firefight in Sitio Bukit, Barangay Culat in Casiguran town last Saturday.

It was also reported that the government side suffered one casualty and one injury.

Those captured were identified as Samuel Nicolas alias Ka [Comrade] Erwin, Pedro Macabutas alias Ka Felix and Willy Torega alias Ka Ronnie.

Killed during the same firefight were only identified only as Ka Rolly, Ka Jun and Ka Angel.

The government fatality was identified as Police Officer 2 Arturo F. Fotane while Senior Inspector Alberto Baraquiel was reportedly injured.

Reports reaching PNP [Philippine National Police] chief, Director General Cesar P. nazareno, said elements of the 119th Mobile Force company based in Casiguran under Senior Inspectors Leopoldo Baroso and Baraquiel and Inspector Ariston Vargas were conducting routine security patrol when they encountered 20 heavily armed NPA rebels under one Ka Rolly.

The firefight also resulted to the recovery of four M-16 Armalite rifles, one M-14 field rifle, two handled ICOM radio sets, several jungle packs and volusinous subversive documents.

Another report reaching the PNP headquarters said Leopoldo Mabilangan known by his comrades as Ka Hector of the NPA Banahaw Command based in Quezon province said they will only agree to a national peace dialogue.

Quezon PNP provincial director, Senior Superintendent Rex, however, said they will continue to invite leaders of the underground movement in his area for localized peace talks.

Army Kills Communist Rebels, Seizes Equipment

HK1410142291 Quezon City MALAYA in English 13 Oct 91 p 2

[Text] Army troops killed eight communist rebels in separate clashes on Thursday in Kalinga-Apayao and Sorsogon, the military said Saturday.

Army chief Maj. Gen. Arturo Enrile said five New People's Army [NPA] guerillas were also captured following a gunbattle at Sitio Aluloodu, Barangay Manapao, Gubat, Sorsogon.

Elements of the 41st Infantry Battalion were on a combat operation when they encountered a 30-man NPA group in Barangay Surnigue, Marag Valley, Luna, Kalinga-Apayao. Seven guerillas were killed during a one-and-a-half-hour clash.

The troops also recovered radio communications equipment and foodstuffs.

In Sorsogon, one NPA rebel was killed and five others were captured in an encounter with Army soldiers in Manapao, Gubat town.

The troops also seized four high-powered firearms, a handheld radio and documents.

Manila To Formalize Trade Pact With Egypt

HK1610104291 Manila PHILIPPINES NEWSDAY in English 16 Oct 91 p 6

[By Bienvenido M. Perez]

[Text] The government expects to formalize by month's end a trade agreement with the Arab Republic of Egypt as well as tap key economic opportunities in three other Arab states during the Philippines' first ever Middle East trade mission.

This was announced yesterday by acting Trade and Industry Secretary Peter D. Garrucho Jr., who said his department will lead the mission that will also include top officials of the Department of Labor and Employment, Department of Foreign Affairs, Department of Tourism, Board of Investments, the Autonomous Region of Muslim Mindanao as well as stateowned enterprises Philippine National Oil Company and Philippine International Trade Corporation.

Garrucho said this trade mission was initially conceived by the so-called Cluster "E" of the Cabinet as a means of boosting trade and investments with target countries Saudi Arabia, Kuwait, the United Arab Emirates and Egypt.

The respective ambassadors of these states, according to Garrucho, have been very enthusiastic and cooperative in lining up vital business opportunities that can be tapped bilaterally by the Philippines.

To be signed in Cairo, the Philippines' bilateral trade pact with Egypt provides each country most-favored nation treatment in accordance with pertinent provisions of the multilateral General Agreements on Tariff and Trade.

This status covers matters relating to the following:
—Customs duties, charges, and internal taxes of any kind connected with importations and exportations, or imposed on the transfer of payments for imports and exports;
—Rules and formalities connected with customs clearance; and
—The issuance of import and export licenses;

Under this agreement, which is the first with an Arab state, both the Philippines and Egypt may establish a governmental joint commission of consultative body for expanding and diversifying trade and investments between the two countries.

Although the pact will be valid for just five years, the contracting countries can extend this agreement for successive similar periods.

Garrucho said the government is also bent on initiating trade agreements as well with Kuwait and possibly, Iran.

In Saudi Arabia, he aid the foremost concern will be providing adequate safeguards and better terms for over half-a-million Filipino overseas contract workers

(OCWs) working in that country, the largest concentration of Filipino OCWs in the Middle East.

Based on preliminary talks with its trade officials, Iran, Garrucho said, is keen on importing bananas as well as getting contractors and other services for its construction sector.

Kuwait, on the other hand, will extensively be sought for business related with its massive reconstruction efforts nationwide.

Aquino Asked To Normalize South African Ties

HK1410103891 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 14 Oct 91

[By Restie De Quiros of DZRH Unit No. 8]

[Text] Senator Teofisto Guingona has formally asked President Corazon Aquino to normalize diplomatic relations between the Philippines and South Africa as initial step toward furthering trade and economic relationships with foreign nations.

Guingona made the request after his meeting with South African Ambassador Allan Harvay, which discussed possible employment of Filipino teachers and skilled workers in South Africa. According to Guingona, the normalization of diplomatic ties between Johannesburg and Manila would be a major change, and the government should take advantage of this opportunity.

Guingona also reported that Harvay has great hope that Filipino teachers and other skilled workers can be directly hired in South Africa.

[Begin Guingona recording] South Africa's ambassador to China recently arrived here, and he would like to open talks, because their apartheid, or racial, policies against the negroes have been repealed. He said that they have many business and new factories there, and they need teachers and other skilled workers. [end recording]

Meanwhile, Guingona has already arranged for some private companies in Taiwan to employ Filipino workers, particularly those displaced during the eruption of Mt. Pinatubo volcano.

Rejected Bases Treaty May Be Included in Accord

HK1610094491 Manila BUSINESS WORLD in English 16 Oct 91 pp 1, 6

[By Reporter Benjamin B. Cruz]

[Text] Except for its basing provisions, the rejected bases treaty may yet be revived and incorporated into the new three-year withdrawal agreement being worked out by the Philippine Government.

After attending the first meeting of the five-man panel created by Mrs Aquino to work out the withdrawal agreement, Sen. Ernesto Maceda told reporters the panel looked into the possibility of including provisions of the rejected treaty into the bases pullout scheme.

"Technically, the treaty is rejected but since Americans agreed to it, it can be easily incorporated into the agreement," he said.

The senator noted that if some provisions of its provisions are still relevant to the three-year phaseout period, the dead treaty can be revived. "Accepted by Americans, we assume the treaty is something which can be incorporated and (thus) there will be no need to negotiate it."

Sen. Leticia Shahani, chair-person of the Senate committee on foreign relations and also a member of the panel, agreed. "We should also give something to the Americans. One day we will need them and ask for something," she told reporters.

The Pangasinan senator argued that the treaty is not being revived, but the committee is merely choosing its good provisions like giving Filipinos jurisdiction over American soldiers. She stressed that the agreement being hammered out is "withdrawal, not duration," dismissing observation that the idea is just like reducing the duration of the junked treaty from ten to three years.

Mr. Maceda also announced that Executive Secretary Franklin Drilon will send a diplomatic note through the Department of Foreign Affairs stating that the Philippines has already constituted its panel and is now ready to discuss the possible three-year withdrawal agreement.

"In 30 days," he promised, "this whole thing on the bases will be over. I don't think the issue is too complicated not to be resolved in 30 days."

In a related development, the Senate recommended to the Armed Forces a one-year withdrwal of U.S. combat troops, leaving only the non-combatant personnel.

Senate President Jovito Salonga, Senators Teofisto Guingona, Agapito Aquino and Victor Ziga met with Defense Secretary Renato De Villa, AFP [Armed Forces of the Philippines] chief Li-sandro Abadia, Commodore Daniel Madamba and Defense Undersecretary Feliciano Gacis on the military implementation of the bases pullout.

According to mr Aquino, he and his colleagues also recommended that for the rest of the non-combatant personnel, maximum irreversible withdrawal period remains three yeras "and this must be programmed, visible and can be checked out."

Further, the use of the facilities during the withdrawal period must be spelled out, and no new units will be introduced during the withdrawal.

The senators said the military has "not indicated any strong objections to the recommendations."

Drilon: U.S. Withdrawal Talks To Start 'Next Week'

HK1610041491 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 15 Oct 91

[Text] The negotiations between the Philippines and the United States regarding the three-year withdrawal period formula, which will pave the way for completing the executive agreement, will start next week.

Executive Secretary Franklin Drilon revealed this fact after the Philippine panel that he leads formulated the draft executive note outlining the Philippines' desire to meet with the United States to arrange this withdrawal.

Drilon said that the diplomatic note may be sent to the United States Government this week. He gave assurances that the negotiations will place a high priority on the welfare of displaced Filipino workers from families that were victimized by the eruption of Mt. Pinatubo. The executive secretary expressed the belief that Malacanang will be able to obtain the 16 majority votes in the Senate once the agreement has been completed.

In addition to the diplomatic note, the panel has also set guidelines which they will follow during their talks with the Americans, but Drilon did not elaborate on the details. The two countries will meet at the Central Bank building where the Philippine-American Cooperation talks were held earlier. Drilon also gave assurances that the Philippine panel will study Senate President Jovito Salonga's proposal to remove all U.S. military components in Subic within one year.

Antibases Senators' Proposal on U.S Withdrawal

HK1610072091 Manila PHILIPPINES NEWSDAY in English 16 Oct 91 pp 1, 2

[By Ros Manlangit, Jose H. Macaspac and Dionisio tubianosa]

[Text] Negotiations for an orderly three-year withdrawal of U.S. troops from the Philippines could start next week, Executive Secretary Franklin Drilon said yesterday after meeting with members and advisers of the negotiating panel which he heads.

The diplomatic note formally inviting the United States to the talks is expected to be sent Friday [18 October] through the Department of Foreign Affairs.

Four anti-treaty senators led by Senate President Jovito Salonga, meanwhile, told military/defense members of the Philippine panel that the Senate was firm on its decision that all American combat troops should be out of the country by the first year of the three-year pullout period.

Non-combatant personnel, including doctors, technicians and security guards, would be allowed to stay until the end of the withdrawal schedule, the legislators said. This withdrawal, they said, should be irreversible and should be "programmed, visible, and can be checked out."

They added that the senators who rejected the treaty that would have extended U.S. stay in the bases for 10 more years felt that the three-year period was necessary to allow Filipino nationals to be phased in before the U.S. leaves.

The senators who held a preliminary meeting with the AFP [Armed Forces of the Philippines] officials were Salonga, Senate Majority Leader Teofisto Guingona Jr and Senators Agapito Aquino and Victor Ziga.

Senator Ernesto Maceda, chairman of the Senate committee on defense and security and adviser to the newly-formed RP [Republic of the Philippines] withdrawal panel, said Drilon was given the task of preparing the notice to the U.S.

Basically, the diplomatic note will inform the U.S. of the composition of the RP panel which will meet with its U.S. counterpart under an initial understanding reached between representatives of the two countries.

This process would eventually break the impasse on the controversial bases question forced by the Senate's rejection of the bases treaty last September 16 and the delayed reaction of both governments to the bold move of the Senate.

Maceda said it was agreed that the nine members would meet every Monday possibly for about a month to firm up the government's withdrawal formula to be presented to the U.S. side. Procedural issues were also discussed to streamline the panel's work schedule so that its final recommendation could be submitted at the earliest time to the Senate in the form of a resolution that would have the support of 16 senators, in the manner of a treaty or an international agreement.

Meanwhile, the defense-military representatives were reported yesterday to have posed no major opposition to a five-point suggestion made by the senators on the U.S. troop withdrawal. These Senate pointers were:

1. One year withdrawal of all U.S. combat personnel leaving behind only non-combatants.
2. Maximum irreversible withdrawal period of three years to allow Filipino nationals to be phased in as the U.S. personnel are phased out. Withdrawals must be programmed, visible and verifiable.
3. Status of forces agreement (SOFA) must also be put in place.
4. Use of facilities during the withdrawal must be spelled out.
5. No new units (U.S. military) will be introduced during the withdrawal.

According to Aquino, the defense-military group promised to study the five points and did not indicate any strong objections to the recommendations.

Representing the military were Defense Secretary Renato de Villa, Armed Forces chief of staff General Lisandro Abadia, Defense Undersecretary Feliciano Gacis and Commodore Daniel Madamba of the Navy. Gacis is a member of the Drilon panel, along with Ambassador Teresita De Castro, Ambassador Raul Ch Rabe, and Delfin Lazaro.

To sit in the panel as advisers are Maceda, Senator Leticia Ramos-Shahani, Representative Jose de Venecia and Representative Jose V. Yap.

Drilon said the panel had not drafted the executive agreement but "we already have an idea of the parameters."

"The Salonga proposal, together with the other proposals that we have received, will be studied by our panel and we will be seeking the advice of our panel of advisers."

As to who will head the American side, Drilon said "I have not been officially informed."

Businessmen Express Concern Over U.S. Barriers

HK1510092491 Manila MANILA BULLETIN in English 15 Oct 91 p 13-B

[Text] Cebu City—The United States is expected to close the door on the entry of certain Philippine export products in retaliation for the rejection of the RP-U.S. bases treaty.

This could do a lot of harm to the country's economy, Cebu businessmen warned, adding that the effect could be disastrous since the U.S. continues to be the Philippines' top trading partner.

In its 1990 report, the Department of Trade and Industry (DTI) cited the U.S. as the country's top export market.

The value of the country's 1990 exports to the U.S. reached over 3.09 billion, equivalent to 37.80 percent of all Philippine exports, the DTI report said.

This was much bigger than what the Philippines had exported to the U.S. in 1989 which only amounted to over U.S.$2.94 billion equivalent to 37.66 percent of all Philippine exports for that year, the DTI report said.

Since the U.S. exerts a major influence on many western countries, Cebu businessmen also fear that if the U.S. retaliates, exports to these areas could also be affected.

The country's top 10 trading partners which include the U.S. are western and Asian countries which have looked up to the U.S. as their leader.

These are Japan, Federal Republic of Germany, Netherlands, United Kingdom, Hong Kong, Republic of Korea, Taiwan, and Thailand.

Philippine exports to Japan in 1990 reached over U.S.$1.62 billion equivalent to 19.81 percent of the country's total exports.

In the same year, jPhilippine exports to the Federal Republic of Germany also hit over U.S.$390.3 million equivalent to 4.77 percent of the Philippine exprots.

Cebu businessmen however expressed hope that the retaliation may not come even if the U.S. will no longer give priority to Philippine products getting into their market.

But when the worst comes, Cebu would be most affected since it has an export-based economy.

Human Rights Group To Examine Military Abuses

HK1410145891 Quezon City MALAYA in English 13 Oct 91 p 7

[By Rolando Puaben]

[Text] Cebu City—A government fact-finding team will be sent to a hinterland barangay in Negros to investigate the alleged human rights violations committed by police and military operatives during operations against the new People's Army [NPA] rebels.

Alejandro Alonzo Jr., Commission on Human Rights regional director for Central Visayas, said the government operations forced more than 300 families to flee their homes in Barangay Talalac, Sta. Catalina town, Negros Oriental. The evacuees are now temporarily sheltered at the retreat center of the National Council of Churches in Dumaguete City.

A CHR report said Barangay Talalac, 30 km from the town proper, looked like war torn Vietnam with its foxholes and traps.

The report added that according to some evacuees the barangay was partially controlled by NPA rebels.

"On the other hand, they claimed that human rights violations were committed by the military during their counter-insurgency operations," Alonzo said.

The team is composed of representatives from the CHR, Departments of Health and Justice and the PNP [Philippine National Police].

As this developed, Gov. Emilio Macias II has proposed peace talks with the communist rebels in a bid to end the insurgency movement in Negros Oriental.

Macias said mechanics of the peace talks were still being discussed with military officials and PNP provincial director Lt. Col. Jose Bandong.

Macias said the proposed talks have drawn support from non-government agencies and other sectors.

Justice Secretary Recommends Soldiers' Dismissal

HK1510025591 Quezon City MALAYA in English 15 Oct 91 p 2

[Text] Acting Justice Secretary Silvestre H. Bello III yesterday recommended to President Aquino the summary dismissal of soldiers found guilty of human rights abuses in Marag Valley, Kalinga-Apayao.

Bello, at the same time, lamented the resumption of intensified military operations in the area which, he observed, coincided with his directive to pursue the investigation of human rights violations committed against Marag residents.

In a memorandum to the President, Bello likewise recommended the immediate indemnification of residents who lost their loved ones and their properties resulting from military operations in the area.

A second fact-finding mission sent last July 26 by the Presidential Human Rights Committee, composed of three prosecutors from the justice department, documented more than 50 cases off alleged arson committed during "Oplan Salidumay Nakilala" [translation unknown] in October to December 1990.

The team was also able to gather statements of alleged victims of rape, killings, salvagings and other atrocities of military personnel in 1982, 1983, 1985, and 1987.

Bello ordered another fact-finding team to coordinate with military authorities so it could enter Marag, where military offensives resumed this month.

He also recommended to the President the following: Immediate deployment of medical missions for the treatment of disease-stricken children and adults; immediate lifting of all prohibitions against the ingress and egress of valley residents and visitors, and any economic blockade existing at the Pamplona and Luna entrances of the valley; declaration of the whole Marag Valley, including the surrounding forests, as ancestral land domain; stop to forced evacuation of residents; and immediate construction of a community center which will be used as a school building, health center, and temporary housing for government officers whose services are most required in the area.

Army Wants Equal Power With Police in Elections

HK1510094091 Manila BUSINESS WORLD in English 15 Oct 91 p 12

[By Ma. Caridad S. Bautista]

[Text] Armed Forces of the Philippines (AFP) chief of staff Gen. Lisandro C. Abadia said he will not allow the military to be placed under the Philippine National Police (PNP) if deputized for the 1992 elections.

Gen. Abadia said he will ask the Commission on Elections to deputize them as a separate body, equal in powers with the PNP.

The Comelec has traditionally tapped the police and military establishments to maintain peace and order during elections. But the threat of violence during the elections specially from the Communist Party of the Philippines (CPP)-New People's Army (NPA), has made the role of the AFP crucial, officials said.

Interference

The military claimed over the weekend communist insurgents would interfere in the coming national elections. There have been reports that they plan to form alliances with some political parties or support candidates at the national level. They have also reportedly intended to field their own candidates at the local level.

Military officials fear that the participation of the CPP-NPA could raise the level of violence during the elections. The communist movement is expected to use the 16,000-man NPA to sway the outcome of the polls, either by intimidating the opposition or disrupting the exercise itself.

Guard Precincts

While the police are mandated to gradually take over the counterinsurgency of the AFP, officials said they will be prossed to guard the thousands of voting precincts nationwide and keep communist rebels at bay just before and after the people cast their votes.

The Comelec is reportedly contemplating the deputization of ROTC [Reserve Officer's Training Corps] cadets, who are part of the military reserve force, to help secure the precincts.

Gen. Abadia did not elaborate on the reason he opposes placing the military under police control during the elections.

But he stressed he would not allow himself to be used by any politician or party during the elections. "I will not allow myself to be used by anybody or any group," he said.

He recalled that the first instruction given by President Aquino when he was appointed AFP chief was to ensure the military's strict neutrality during next year's polls.

Senator Presents Evidence on Nuclear Plant Loans

HK1610053091 Quezon City MALAYA in English 16 Oct 91 p 2

[By Cris Larano]

[Excerpt] Senate Majority Floorleader Teofisto Guingona (LP) [Liberal Party] yesterday presented 15 sets of documents to the Senate Blue Ribbon committee and committee on banks which he said would establish the liability of two banks in an intricate plot to defraud the country of millions of dollars through irregularities in the mothballed Bataan Nuclear power plant [BNPP] project.

The documents, according to deputy chairman Jaime Guerrero of the Presidential Commission on the Philippine Nuclear Plant, were all authentic. He said they were recovered from Malacanang after the Marcoses fled the country in 1986.

"I think we've found the smoking gun here," said Sen Alberto Romulo (LDP) [Struggle of Filipino Democrats], chairman of the committee on banks, after the presentation of documents allegedly linking Citicorp and Asia Pacific, Capital Corp to the irregularities.

Romulo said the documents showed that:

—Citicorp agreed to finance the project even without a feasibility study and other details pertaining to the construction of the power plant.

—Citicorp connived with Westinghouse, the builder of the BNPP, in using for the Bataan power plant the plans used by Westinghouse in its nuclear power plant project in Krisko, Yugoslavia. Citicorp and Westinghouse were major partners in that project.

—While the Krisko project only cost $580 million, Citicorp offered to finance the two 620-megawatt power plant in Bataan at a cost of $1.2 billion to $1.6 billion, at least $160 million higher than the Yugoslav project.

—The BNPP's cost finally ballooned to $2.2 billion after the Puno Commission recommended the introduction of additional safely devices, which according to records only cost $72 million to install.

—Citicorp, which now heads a syndicate of banks pressuring the government to securitize or guarantee the balance of $1.2 billion in BNPP loans, still has an exposure of more than $18 million.

Citicorp, meanwhile, said it had no knowledge that contracts for the mothballed project were tainted with fraud or that the plant had basic defects that rendered it dangerous to operate.

In a press statement, Citicorp said its participation was limited to syndicating the commercial bank portion of the loans in 1976 when the estimated cost of the project was only $1.109 billion.

Citicorp denied it had any participation in the subsequent cost overrun financing in 1981 through 1983, which came to $991 million.

It also said that the decision to build a nuclear power plant was made by the Philippine government in 1974 on the basis of a study completed in 1973 under the auspices of the International Atomic Energy Agency in Vienna.

Citicorp said detailed site studies were carried out by the Philippine Atomic Energy Commission including such factors as geography, scienology, safety and the environment. [passage omitted]

Aquino Not To Dismiss Finance Secretary

HK1410104091 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 14 Oct 91

[By Sonny Casulla]

[Text] President Aquino today said that she will not dismiss Finance Secretary Jesus Estanislao from his position despite his noncompliance with the president's instructions not to record the $2.2 billion used for the construction of the Bataan Nuclear Plant as part of the official loans registered in the securitization program. The securitization program was presented by the government to foreign creditors to assure them that the government is setting aside funds to pay the country's debts.

In a press statement, the president said that she continues to have faith in the integrity of the secretary's decisions.

Government To Continue Nuclear Plant Payments

HK0810120191 Quezon City ABS-CBN Broadcasting Corporation DZMM in Tagalog 1100 GMT 8 Oct 91

[Text] The government remains firm on its stand to pay the creditor banks who provided the funding for the construction of the Bataan Nuclear Power Plant, despite objections from Congress. The government is paying $300 million per day on interest payments alone for the aid. According to Finance Secretary Jess Estanislao, until the courts have passed judgement on this issue, the government will continue payment on the debts.

Aquino Approves New Debt Relief Strategy

HK1510091091 Manila MANILA BULLETIN in English 15 Oct 91 p 13-B

[By Marcia Rodriquez]

[Text] President Aquino upheld yesterday the Department of Finance-CEntral Bank crafted debt relief strategy.

Authored principally by Finance Secretary Jesus P. Estanislao, the strategy calls for honoring all of the Philippines' foreign obligations while negotiating for rollovers of old loans and easier terms for fresh borrowings.

Mrs. Aquino, affirming the Administration's confidence and trust in the finance secretary, brushed aside allegations of Senator Rene Saguisag who claimed that Estanislao has subverted her instruction not to include the loan incurred from the Bataan nuclear power plant (BNPP) in the country's official debt.

"I continue to believe in the integrity and judgment of Secretary Estanislao," Mrs. Aquino said in response to the charges hurled against the Cabinet member.

Estanislao and Central Bank Gov. Jose Cuisia are in Bangkok, Thailand for the International Monetary

Fund-World Bank (IMF-WB) meeting to borrow a total of $1.2 billion from the two institutions and from other government creditors to finance a $5.3 billion debt restructuring deal with foreign bank lenders.

The finance secretary and the administration's economic policies have been attacked not only by Saguisag but also by former Socioeconomic Planning Secretary Solita Monsod, former Executive Secretary Joker Arroyo and the Manila-based Freedom from Debt Coalition.

A report (not the Bulletin's) quoted Monsod as expressing grave doubt about the country's ability to save $2.3 billion over the next six years with the approval of the new financing package.

Claiming that government figures were "bloated," she cited an analysis of the University of the Philippines-School of Economics which showed that the benefits the country would obtain would amount to only $300 million.

Saguisag accused Estanislao of "lying" and disobeying orders when he claimed that government would include the BNPP papers in a proposed debt buy-back scheme.

He criticized the Administration for failing to pursue a case against commercial banks involved in the funding of the nuclear power plant despite evidence that the banks were involved in the fraudulent transaction. He was referring to Citicorp and Asia Pacific Capital Corp, the lead banks involved in the project.

Estanislao and Cuisia, however, said earlier that the country cannot suspend payments on alleged behest loans from certain banks unless there was clear evidence that the transaction was tainted with fraud.

They feared that the clamor to pursue the case against commercial banks would send wrong signals to creditor banks and affect the inflow of foreign funds to the country.

Arroyo, on the other hand, has claimed that the country' is worse off today compared to the times under the previous administration due to harmful economic and debt strategies. This was denied by Deputy Gov. Edgardo Zialcita of the Central Bank research and domestic operations sectors who claimed that the actual value of debt reduced under the various debt reduction schemes amounted to $2.8 billion as of the end of July, 1991.

Aquino Urges Attention to Socioeconomic Issues

HK0710101291 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 7 Oct 91

[By Sonny Casulla of DZRH Unit No. 9]

[Text] President Aquino supported the suggestion by Asia-Pacific nations to reduce funds allotted for the military in order that these funds may be used for development projects, especially those needed by the people. President Aquino made this statement in her speech during the opening of the 4th Asian and Pacific Ministerial Conference on Social Welfare and Development, which was held at the Philippine International Convention Center.

The president said that as the cold war is nearing its end, we are almost assured that we can shift our priorities from defense and security to social and economic development.

Meanwhile, Mabuk Alhac [name as heard], special adviser of the UN Development Program for Asia, criticized the country's $65 million spending in strengthening the military while the educational and health needs of the country are being neglected. According to Alhac, the suspension of the large spending on the military should be considered.

At the same time, James Grant, executive director of the UN Children's Fund, lauded the Aquino government's achievements in executing programs for the welfare of Philippine children.

The president also said in her speech that in the past four years, the Department of Social Welfare and Development Core Sugar Assistance Program has already given out 7,000 homes to the victims of different calamities. She also added that the Philippines would be happy to share with other Asian and Pacific countries the technology needed for the construction of houses which are strong enough to withstand calamities like typhoons.

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Aquino Endorses Manglapus for Highest UN Post

HK0710101391 Manila Manila Broadcasting Company DZRH in Tagalog 0900 GMT 7 Oct 91

[By Sonny Casulla of DZRH Unit No. 9]

[Text] Press Undersecretary Horacio Paredes announced that President Corazon Aquino has endorsed Foreign Affairs Secretary Raul Manglapus to vie for the secretary general position of the United Nations. The president's endorsement was requested by the International Jewish Association, which supports the candidacy of Manglapus for the UN's highest position, which will be vacated by Javier Perez de Cuellar.

De Cuellar is set to retire after serving a two-year term in the United Nations. According to Paredes, the president made the endorsement as part of her campaign to strengthen the chances of Manglapus gaining the UN's highest post. Paredes also said that the most influential committee that decides on the appointment of the secretary general is the UN Security Council, consisting of the United Nations [as heard], United Kingdom, and France.

Trade Deficit Narrows by 12.78 Percent

HK1610101491 Manila THE CHRONICLE in English 16 Oct 91 p 7

[By staff member Olive Melaya]

[Text] The Country's trade deficit for the first eight months of the year narrowed down to $2.231 billion, or by 12.78% from the previous year's comparative level.

The National Statistics Office (NSO) attributed this to the slow pace in imports despite the import levy reduction from 9% to 5%.

Total export earnings during the period reached $4.696 billion, an increase of 7% from $5.324 billion registered during the same period last year.

Expenditure on imports, likewise, improved slightly by 0.6% to $7.927 billion from previous year's $7.882 billion, the NSO reported.

Export earnings last August reached $740 million, an increase of 8.8% from the $788 million during the same month last year.

Electronics and components continued to gain substantial earnings during the month compared to last year. its income amounted to $158.13 million, up by $25.23 million or an increase of 19.6% .

However, articles of apparel and clothing accessories remained the top exports for the month, accounting for $158.85 million.

Export earnings last August were down 6% compared to the previous month's $788 million due to the $17-million decrease in sugar exports which fell to only $5.70 million from the previous level of $22.74 million.

One of the causes of the decline in sugar exports, according to sources, was the Pinatubo eruption which reduced production at the Canlubang Sugar Central.

Other top exports for the month included bars, rods, and slabs neither polished nor coated, unworked of copper amounting to $64.08 million, shrimps and prawns, fresh, chilled or frozen, $20.50 million and woodcraft and furniture, $18.25 million.

For the month of August, imports totalled $966 million, down 2.4% from the $990 million in the previous year. It was also down by 5.3% or $55 million from the month-ago level.

The country's top imports were electric machinery, apparatus and appliances with $110 million, mineral fuel, lubricants and related materials, $98.78, machinery other than electric, $89.55 million, material and accessories imported on consignment basis for the manufacture of semi-conductor devices, $79.43 million and base metals, $68.48 million.

CPSU Fall Seen To Affect Local Communists

HK1010053291 Manila MANILA BULLETIN in English 10 Oct 91 pp 1, 16

[Excerpt] Sen. Edgardo J. Angara said yesterday that the fall of the Soviet communist ideology may soon cause a domino effect on the Communist Party of the Philippines (CPP) which continues to wage an armed struggle against the government.

"I think pretty soon, what is happening outside the Philippines will seep through in our country and people will realize the ideological battle may be over and we must now address the social problems peculiar in our country," Angara said.

Angara expressed this optimism after Artemio Garcia, 40, a former director of the Kabataang Makabayan (KM) [Nationalist Youth] and a CPP member of Ligao, Albay, testified before his Commission on Appointments committee that the ideological struggle is now being waged "within the parameters of the law, not any more in the hills."

Angara said the demarcation line that separated the communists and the capitalists has been brought down as a result of the Soviet experience. [passage omitted]

Imelda Marcos To Return, May Reenter Politics

HK1410025991 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 13 Oct 91

[Text] Former First Lady Imelda Marcos has announced in an interview that she would arrive in the country on 4 November and added that she would not rule out the possibility of reentering politics. The widow of former President Marcos emphasized that she is returning after more than five years in exile.

Even though she will be facing a multitude of criminal cases and arrests the moment she sets foot in the Philippines, Imelda believes that she will win all the tax evasion cases the government has filed against her.

She also mentioned that she might be compelled to enter politics if her supporters ask her to, although she only intends to support a worthy candidate in the 1992 presidential elections.

The former first lady also added that she has no bitterness about what happened to her family, which resulted in their exile to Hawaii, or any fear of being assassinated the moment she returns to the Philippines. Mrs. Marcos also clarified that she does not personally oppose the burying her husband in Laoag City, but affirmed that she must abide by her late husband's last wish, that he be buried in Manila.

Thailand

Commentary Views Suchinda's Call for New Weapons

BK1310032891 Bangkok THE NATION in English 13 Oct 91 p 7

[From the "Special World Bank/IMF News Supplement": "Comment" from the "Political Desk"]

[Text] Michel Camdessus, managing director of the International Monetary Fund (IMF), has sent out a clear message to the military big-spenders: it is high time that they cut back military spending so that funds can be redirected towards social and economic development.

While economic planners readily welcomed his statement, the message was somehow lost even on the very people for whom it was meant. As they often do, Thai military leaders frowned at any suggestion that they spend less on defence.

Gen [General] Suchinda Khraprayun, the army chief who engineered the coup in February, minced no words when he responded to Camdessus' statement. "What country does he come from?" the army chief asked when reporters urged him for comments. "He should know that only countries with modernized armed forces can afford to cut back on military spending."

Suchinda claimed that most of the weapon systems in service in the Thai military are outdated and needed to be replaced. Suchinda's response confirmed concerns among the Thai public that the military would continue to push for increased arms spending and allow no slowdown in procurement.

Camdessus told reporters in Bangkok that the need to improve economies in many countries could be realized through cuts in military budgets. It was a repetition of another call he made in Geneva in July this year.

"As a simple illustration, a 20 per cent cut in military spending would produce savings of about US$100 billion a year," he told the 54-member body holding one of its two annual meetings on the world's economic health in Geneva in July. There was a worldwide savings shortage which could be managed only through coordinated cuts in unnecessary spending, he added.

A duty issued by the IMF earlier criticized military spending as unproductive and said it diverted scarce resources from badly needed social and economic services.

"...I want to recall that his is one of the most pressing problems challenging international coopertation, but it is managable, provided all countries act forcefully to reduce unproductive spending and to increase their saving ratios," Camdessus said at that time. "If countries agree to share responsibility and implement sensible economic policies, the problems should prove manageable." Camdessus added.

Though the proposal found no receptive ears in the Thai military, it came at a welcome time for economic planners and members of the Anan government who have become wary of increasing demands by the military for expensive arms procurement since the Feb 23 coup.

Early last month, THE NATION disclosed that the Thai armed forces were pressing for huge allocations from the Anan government to buy a fleet of 38 AMX jet fighers from Italy and Brazil at a cost of Bt19.70 billion, or US$757 million; 20 Crotale air defence system firing units from France at a cost of Bt24.5 billion, or US$1 billion; and an assortment of aircraft and ships. All together, the extra allocations required would exceed Bt60 billion (US$2.4 billion) to be spread out over a 10-year period.

The government, whose total budget this fiscal year amounts to approximately Bt460 billion, instead promised to allocate only Bt500 million, or US$20 million, while pointing out that larger budgetary appropriations would be geared towards productive economic sectors. The government further suggested that such heavy budgetary commitments should be approved by a new government to be formed after a general election tentatively scheduled for the first quarter of next year.

The armed forces were unhappy upon hearing the government response. But it has limited options. Not only did the two major purchase programmes look unrealistically expensive, but military generals were unable to come up with justifications for why the country should need big arms allocations given the end of the Cold War.

Robert S. McNamara, former World Bank president, stated in his address to the World Bank annual conference on development economics in Washington, DC in April that military expenditure in the developing countries in 1988 totalled US$170 billion, or an average of 4.3 per cent of GNP. He pointed out that they were only slightly less than the total expenditures for health and education, and they have quintupled in constant dollars between 1960 and 1988, increasing at a rate twice that of income per capita.

Can such large outlays, in countries drastically in need of capital to accelerate the rate of economic and social advance of their five billion inhabitants, be reduced? McNamara's answer was yes.

McNamara made a startling suggestion to the World Bank, that financial aid for developing countries be tied to reductions in military expenditure, which he said would lead to a lessened risk of war among Third World nations. The goal would be to reduce military expenditure as a per cent of GNP by more than half by the end of the century.

He pointed out that the end of the Cold War offered dramatic opportunities for the nations of the world to move in this direction. "The international organizations, including financial institutions such as the World Bank, can catalyze the process thereby accelerating economic and social development without reducing security," he added.

World Bank figures show that Thailand's military expenditure amounted to US$1.71 billion in 1988, or 3.1 per cent of GNP, compared with only 1.3 per cent of GNP in 1986. The Thai armed forces always asks for substantial increases in annual budgets to pay for previous deals in installations and sign new contracts.

There is a dilemma of sorts. When in power, Thai military figures tend to conclude new procurements with long-term budgetary commitments, making it diffucult for their successors to find the funds from annual allocations for new acquisitions. As a result, they keep on pressing the governemnt for additional allocations, which eventually snowball.

Whatever the good intentions of the IMF chief, in Thailand at least his proposal is expected to have little impact on the thinking of the generals. However, Camdessus' statement may help support the argument of government leaders that there is no need to boost military spending at this time.

Paper Calls for 'Tough Measures' Against Burma

BK1510042191 Bangkok BANGKOK POST in English 15 Oct 91 p 4

[Editorial: "Burma's Guiding Light Worthy of Peace Prize"]

[Text] She has not spoken or been seen in public in over two years, yet her imprisonment has become a symbol of resistance and hope for a nation that has chosen the path of democracy, brutally denied them by a tyrannical military regime.

Yesterday's award of the Nobel Peace Prize to Aung San Suu Kyi was richly deserved and succintly summed up by the Nobel Peace Prize Committee as "one of the most extraordinary examples of civil courage in Asia in recent decades". Suu Kyi's non-violent approach in the face of brutality has been the driving force behind the Burmese people's desire for democracy, a will demonstrated through the ballot box, and a result ignored by a regime that reneged on its promises for a transference of power.

It will bring renewed hope to those who have never lost sight of that most basic of all struggles: human rights. Sadly, while many will rejoice at the news, it is unlikely to make any impression on Burma's ruling junta, the State Law and Order Restoration Committee (SLORC), except, perhaps, to anger them further. But if they want to understand why this prestigious award has been awarded to the woman they have kept locked up under house arrest, they have only to look to themselves.

SLORC has, through its bloody suppression of Burma's pro-democracy movement over the past few years, been actively working on her behalf to win the prize she has so deserved. The free world, through the independent Nobel committee, has sent a clear message expressing international concern for the plight of the Burmese people. That message should not be lost on regional governments that persist in doing business with Rangoon. Burma's neighbours are out of step with international consensus and the majority views of the Burmese people.

Thailand's cosy relationship with Rangoon has done nothing to advance a meaningful and constructive dialogue with those who are intent on holding onto the reigns of power, through whatever means it takes. In the period that Thailand and other ASEAN countries have courted and carried out profitable business with the Burmese regime, conditions for pro-democracy supporters have deteriorated rather than improved. Any justification for this gentle art of persuasion must now be seen as fruitless. The government's policy of "constructive engagement" has not worked and a clearer signal that the Burmese junta can understand has now to be sent.

That message can only be delivered where it will hurt SLORC most. The time has arrived for serious consideration of tough measures against SLORC's continued disregard and contempt for human rights. Cutting off Rangoon's business deals, which fund their purchases of even more weapons to suppress the democratic desires of their own people, is a message that even the most thick-skinned regime can comprehend.

Thailand, along with its ASEAN neighbours, will find that the weight of international criticism against dealings with Rangoon will grow as a result of this award, and no matter what noises are made about constructive and meaningful dialogue with SLORC, Thailand can no longer afford to downplay the wishes of the Burmese people. World attention has now been rightly focused on the struggle for human rights in Burma. It will not disappear and the international community will not be blind to the actions of those who choose to deal with Rangoon's repressive regime.

The world clearly understands what Aung San Suu Kyi stands for, and the Burmese people are to be admired and envied for having among their ranks a woman who embodies the spirit of humanity, a spirit that has not been broken by the threats of SLORC's thungs-in-uniform, nor her enforced separation from her family and denial of a normal life. To her, and the millions of Burmese who have clearly shown they share her goals, the Nobel Peace Prize is a just recognition of the most worthy of all causes.

Burmese Government Extends Logging Licenses

BK1510042591 Bangkok BANGKOK POST in English 15 Oct 91 p 32

[Text] About half the 28 logging licences issued by the Burmese Government to Thai firms have been suspended following the failure of the licensees to operate their businesses.

South-West Imex Co executive director Somkiat Kositsakun in an interview with BUSINESS POST said the company was among a few firms that had their licences extended by one year.

He had just returned from Rangoon, where he attended the signing of the contract extension.

Mr Somkiat said half the companies holding logging concession had their licences revoked for failing to operate.

"I was told by the Burmese side that during the period of the concession many Thai firms had not done anything in the country. And to my knowledge, many of those companies had no experience in the logging business. The just intended to seek joint ventures to benefit from the concessions they were holding," he said.

Those with concession licences which were not revoked won three months to one year extensions, depending on the success of negotiations and the intended business in Burma.

Mr Somkiat said most companies wanted to have their concessions extended for only three months to fulfill their timber deliveries.

"They already cut the wood and want more time to deliver which should be complete within no longer than three months," he said.

Mr Somkiat said his company had sought to extend the contract by one year because its performance during the two-year contract was not quite satisfactory.

The company started logging about the time Thailand and Burma were hard hit by Typhoon Gay, which had caused a big loss with regard to damaged equipment.

The company had got merely 11,000 tons of wood from its concession although it had expected 20,000 tons in the two-year period.

But it expected to get 10,000 tons of wood during the extended one-year concession period as operation in the concession area had already been established.

The concession area of South-West Imex was on Burmese land near the Indian Ocean, unlike other companies that had won logging concessions on land along the Thai-Burmese border from Mae Hong Son in the north to Tak, Kanchanaburi, Chumphon and Ranong in the south.

The location of the company's concession area had been beneficial in terms of operations as the firm did not have to deal with minority groups.

"This is one of the problems. The Thai firms are not pleased with the demand for security charges form minority groups and the Burmese Government does not want the Thai firms to pay the minority groups," he said.

The company, however, had to pay higher commissions to the Burmese Government based on the type and quality of wood, it took.

The average commission increase was 10-15 percent ranging from US$60-200 per ton, depending on the type of wood.

Agreement With France on Thermopower Project

BK1410105091 Bangkok THE NATION in English 14 Oct 91 p A2

[Text] The Thai and French finance ministers yesterday signed a loan agreement for the financing of a combined cycle power station in Rayong belonging to the Electricity Generating Authority of Thailand.

The signing ceremony, which also covers technical and educational grants, took place between Finance Minister Suthi Singsane and French Finance Minister Pierre Beregovoy.

The loan amounted to Fr [franc] 485 million (Bt [bhat] 2.13 billion), which is inclusive of the grant portion that carries an interest rate of five percent anually. The term is 24 years with a grace period of eight years.

The loan has come about because the bid for the supply of equipment was won by a French company which outshone firms from the United States, Germany and Japan. The French government is also providing a Fr23.6 million (Bt103.84 million) grant for the establishment of a Franco-Thai Innovation Centre.

Finance Minister Details Agreement

BK1310091591 Bangkok Radio Thailand Network in Thai 0530 GMT 13 Oct 91

[Text] Public Relations Department correspondent Worathat Chitsawat reported that at the Queen Sirikit National Convention Center this morning, a financial agreement was signed between the Governments of Thailand and France. After the signing ceremony, Thai Finance Minister Suthi Singsane briefed reporters on the matter as follows:

[Begin recording in progress] ...the thermopower plant project [words indistinct] the fourth project of the Electricity Generating Authority of Thailand in the eastern province of Rayong. Under the agreement, Thailand will be granted a loan of 485 million French francs for the purchases of goods and services from France. The money will be divided into two parts. The first part of 474 million francs will cover the equipment to be used for the electricity plant. The remaining 11 million francs will be spent on the equipment for the electricity distribution system. Major conditions stated for the loan are: 5 percent per annum lending interest rate, 24-year loan repayment period with an 8-year grace period, and the repayment to be made twice a year—every six months. [end recording]

Vietnam

Vo Van Kiet Lauds Australian Cooperation Effort

BK1510155591 Hanoi VNA in English 1510 GMT 15 Oct 91

[Text] Hanoi VNA Oct.15—Michael John Potts, the new Australian ambassador to Vietnam, today paid a courtesy visit to Chairman of the Council of Ministers Vo Van Kiet.

Chairman Vo Van Kiet welcomed and highly valued Australia's efforts to develop the friendship and cooperation between Australia and Vietnam in the interests of the two peoples, of peace, stability and cooperation in the region and the world.

The Vietnamese prime minister asked the ambassador to convey to Prime Minister Bob Hawke the Vietnamese Government's high appreciation of the Australian Government's decision to resume its direct aid to Vietnam. He welcomed the arrival of Australian delegations for this purpose.

Chairman Vo Van Kiet and Ambassador John Potts exchanged views on the possibilities of cooperation between the two countries in commerce, economy, culture, science, technology and other fields. The Vietnamese leader said he hoped the ambassador would actively help to make the Vietnamese-Australian friendship and cooperation develop even more fruitfully in the coming days.

He asked the ambassador to convey his invitation to Prime Minister Bob Hawke to visit Vietnam at a convenient time, preferably in 1992.

The ambassador said he would convey the invitation to the Australian Prime Minister and hoped that the visit would materialize soon.

Welcomes Resumption of Aid

BK1610071091 Hong Kong AFP in English 0654 GMT 16 Oct 91

[Text] HANOI, Oct 16 (AFP)—Prime Minister Vo Van Kiet has expressed satisfaction at Australia's decision to resume direct economic assistance to Vietnam and invited Prime Minister Bob Hawke to visit Hanoi, the Communist Party paper NHAN DAN said Wednesday.

Kiet asked new Australian Ambassador John Potts on Tuesday to convey Hanoi's appreciation to Hawke and invite the premier to visit Vietnam when it suited him. Hawke was expected to visit Hanoi some time next year, said the paper.

Canberra announced last week that Australia would resume economic aid to Vietnam, suspended in 1979 after Hanoi's military invasion of Cambodia.

At their meeting Tuesday, Kiet and Potts also reviewed potential cooperation between their two countries in the economic, cultural, scientific and technological fields, said NHAN DAN.

Australian Trade and Overseas Development Minister Neal Blewett is scheduled to visit Hanoi shortly, the paper added.

Iranian Deputy Minister Concludes Visit 10 Oct

BK1010150691 Hanoi VNA in English 1400 GMT 10 Oct 91

[Text] Hanoi VNA Oct. 10—The delegation of the Iranian Foreign Ministry led by its Deputy Minister A. Borujerdi left here today after a visit from October 8.

While here, it held talks with a delegation of the Vietnamese Foreign Ministry led by Deputy Foreign Minister Nguyen Di Nien on measures to promote friendly and cooperative relations between the two countries.

Delivers Message From Rafsanjani

LD1010121891 Tehran IRNA in English 1826 GMT 9 Oct 91

[Text] Tehran, Oct. 9, IRNA—A message from president 'Ali Akbar Hashemi-Rafsanjani was presented to Vietnamese President Vo Chi Cong in Hanoi today by Iran's Deputy Foreign Minister for Asia-Pacific Affairs Ala-ed-Din Borujerdi.

Vo Chi Cong said the people and government of Vietnam laud the strong morale and resistance of the Iranian people and government in safeguarding the values of their revolution.

He said Vietnam highly praises the policies of the Islamic Republic to disseminate the spirit of struggle against the American hegemony.

On mutual ties, the Vietnamese president said the opening of the Iranian Embassy in Hanoi was a "significant" step taken by the government of the Islamic Republic.

Borujerdi said the Islamic Republic, in compliance with its foreign policy, is prepared to broaden its ties in various fields with Vietnam as an nonaligned state.

The Iranian official also discussed with Vietnamese Foreign Minister Nguyen Co Thach matters of mutual interest and regional as well international developments.

Borujerdi said in view of the world's critical position and the expansionist policies of the United States, it was essential for the Third World and Asian countries in particular to strengthen their ties.

Nguyen Co Thach said Hanoi believes that the U.S. and the West were exploiting such issues as human rights to put pressure on Third World countries including

Vietnam and Iran in spite of the fact that Washington has alwys been a violator of human rights.

CPC Delegation Departs Ho Chi Minh City

BK1110150791 Hanoi VNA in English 1424 GMT 11 Oct 91

[Text] Hanoi VNA Oct 11—A delegation of the international liason department of the Communist Party of China led by Zhu Shanqing, deputy director of the department, left Ho Chi Minh City Thursday, ending a week-long official visit to Vietnam.

While in Hanoi, it was received by Le Duc Anh, Politburo member and secretary of the Central Committee of the Communist Party of Vietnam [CPV].

The guest delegation held talks with a delegation of the external relations commission of the CPV Central Committee led by Hong Ha, secretary of the party central committee and head of the commission. Both sides agreed on measures to develop the friendship and cooperation between the two parties and mass organizations of the two countries.

The guests also visited Haiphong port city, Ho Chi Minh City and Vung Tau-Ba Ria Province.

Trade Delegation Visits PRC's Guangxi Province

BK1010070791 Hanoi VNA in English 0618 GMT 10 Oct 91

[Text] Hanoi VNA October 10—A delegation of the leadership of the four northeastern border provinces of Lang Son, Cao Bang and Quang Ninh, and Haiphong City yesterday began an official visit to Guangxi Province of China.

The delegation, led by Nguyen Minh Quat, chairman of Lang Son People's Committee, comprises chairman of Cao Bang Committee, vice chairman of Quang Ninh and Haiphong People's Committees, and officials of the Foreign Ministry and the State Planning Committee.

The delegation will discuss with the Guangxi authorities issues concerning trade goods exchange, and border security. The visit will last until October 14.

Quang Ninh Province Promotes Trade With PRC

BK1110105691 Hanoi Voice of Vietnam Network in Vietnamese 0500 GMT 11 Oct 91

[Text] In Quang Ninh Province, 26 local economic units have established trade relations with 70 Chinese economic units. The province has established a border-trade committee attached to the provincial trade office with a representative at the border district of Hai Ninh to check and control export-import goods and to promote trade relations between the provincial economic units and those of the Chinese.

To satisfactorily serve the Sino-Vietnamese cross-border trade, Quang Ninh Province has invested more money in various projects, including the construction of the Ba Tre Bridge and the building of an asphalt road linking Tien Yen district with the border districts of Quang Ha and Hai Ngan.

Ministers Attend Film Hosted by DPRK Envoy

BK1010073791 Hanoi VNA in English 0634 GMT 10 Oct 91

[Text] Hanoi VNA Oct.10—Ambassador of the Democratic People's Republic of Korea to Vietnam Yi Hong gave a film show here yesterday evening occasioned by the 46th founding anniversary of the Workers Party of Korea (Oct.10).

Present among others were Tran Hoan, member of the Communist Party of Vietnam Central Committee and Minister of Culture, Information, Sports and Tourism Le Van Di, member of the party Central Committee and president of the Vietnam-DPRK Friendship Association and other senior Vietnamese party and state officials.

Speaking at the function, MInister Tran Hoan expreseed the Vietnamese people's joy at the achievements made by the Korean people in building socialism under the leadership of Workers' Party of Korea headed by President KIm Il-song. He wished the Korean people greater success in bulding socialism

Rubber Production Venture Set Up With Soviets

BK1010071991 Hanoi VNA in English 0625 GMT 10 Oct 91

[Text] Hanoi VNA Oct.10—A joint venture in rubber production named Visorotex has been set up by the Vietnam Rubber Service under the Ministry of Agriculture and Food Industry on the one side and the Soviet Tyre Research Institute under the Ministry of Oil-Refining and Petrochemical Industry and the Soviet Association for Cooperation With Foreign Countries in Rubber Production and Processing on the other.

The joint venture is capitalized at more than USD [U.S. dollars] three million. The licence is issued to Visorotex for 20 years.

The joint venture will carry out research on and produce and export natural rubber and rubber goods. In the first phase, it will build a rubber processing factory with a capacity of 2,000 tons a year. This is to be followed by the construction of synthetic rubber factories, each with a capacity of 1,000 tons a year, and a red rubber tyre factory producing 30,000 tyres a year.

In 1992, the joint venture will build a factory producing high-quality technical rubber goods with a capacity of about 300 tons/year.

Results of Economic Ties With Belgium Praised

BK1010153091 Hanoi Voice of Vietnam Network in Vietnamese 0015 GMT 10 Oct 91

["Article" by station correspondent Tieu Lien; from the "International Topic" program]

[Summary] "SRV-Belgium cooperative relations began fairly early. Many Belgian politicians and businessmen came to Vietnam in the early days of the Vietnamese open-door policy. These relations have yielded very good results."

Belgium was the first country to set up a joint venture project with Vietnam Petro Company and it was the first country to sign an oil exploration contract with terms defined so that benefits would be divided by a fixed percentage agreed upon by the partners. In 1990, another Belgian oil and gas company signed an oil exploration contract under the same terms.

According to these contracts, Belgian companies will shoulder all expenses in seismic exploration in the area of more than 27,000 square km along the continental shelf of southern Vietnam.

The signing of these contracts shows our government's policy of broadening economic cooperation with other countries. That greatly encourages foreign investment in Vietnam. Besides the cooperation in the oil and gas industry, cooperation in other economic industries and scientific research between Vietnam and Belgium has also broadened.

"Recently, there have been many Belgian diplomatic and economic delegations visiting Vietnam, including the delegation led by Foreign Trade Minister Robert Urbain. The delegation consisted of many foreign trade officials and representatives of many companies working in the field of port dredging service, sea transportation service, banking, and seafood production. The purpose of the visit was to learn about our economic production so they can establish their cooperation plan in Vietnam."

After having many working sessions in Vietnam, the officials and representatives expressed their optimism about doing business here. Minister Robert Urbain said that the cooperation potential with Vietnam is great and he hoped that the SRV-Belgium Joint Economic Committee will be formed quickly.

"During Minister Robert Urbain's visit, Vietnam and Belgium signed an agreement on investment protection. This agreement will further encourage the investment cooperation in the future."

Regarding agriculture, the Belgian Agricultural Center coordinated with Vietnam to hold several seminars to exchange agricultural information. Mr. (Levalier) said that Belgium specialists highly evaluated the development level of Vietnamese agriculture and they all supported the idea of cooperating with Vietnam. He also suggested that an SRV-Belgium joint research team on agriculture should be established.

"Most recently, the Belgian Industry Group invited Dang Vu Chu, minister of light industry, to visit Belgium. During the visit, the Vietnamese delegation was provided information on the production of weaving equipment, machines, electricity, and plastic so Vietnam can modernize some of its economic units in order to improve the quality and quantity of Vietnam's export goods to European countries.

"The economic cooperation between Vietnam and foreign countries is broadening. The Belgian Government as well as businessmen and specialists are showing their interest in cooperation with Vietnam.

"Mr. (Lowa), a Belgian official who has been working in Vietnam for a long time, stated that Belgium not only wants to help Vietnam through measures to strengthen the economic cooperation, but the Belgian Government and its people also want the U.S. Government to quickly lift the trade embargo against Vietnam. That is shown by the Belgian Government's goodwill in creating favorable conditions for the Vietnamese representative office to work with the EEC in Brussels, capital of Belgium, and the welcoming of Vietnamese Ambassador Dinh Phu Dinh in Belgium."

Cambodian Envoy Honors SRV Education Experts

BK0410154191 Hanoi VNA in English 1423 GMT 4 Oct 91

[Text] Hanoi VNA Oct 4—A ceremony to confer 183 labor orders, friendship orders, and friendship medals on Vietnamese educational experts who have fufilled their internationalist mission in Cambodia was held here today by Cambodian Ambassador to Vietnam Auch Borith.

Present were Vu Mao, president of the Vietnam-Cambodia Friendship Association Tran Chi Dao, vice minister of education and training, and others.

Speaking on this occasion, Ambassador Auch Borith said that the conferment is a manifestation of the deep gratitude of the Cambodian state and people for Vietnam's assistance.

Vo Van Kiet Receives Indonesian Envoy 8 Oct

BK1010035091 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 8 Oct 91

[Text] On 8 October, Council of Ministers Chairman Vo Van Kiet received the ambassador extraordinary and plenipotentiary of the Republic of Indonesia to our country, Mr. Aswismarmo, who paid a courtesy visit to him. Chairman Vo Van Kiet had a cordial talk with Ambassador Aswismarmo.

Vo Van Kiet Receives Belgian Ambassador 9 Oct

BK1010070291 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 9 Oct 91

[Text] On 9 October, Council of Ministers Chairman Vo Van Kiet received the ambassador extraordinary and plenipotentiary of the Kingdom of Belgium to our country, Pieter Steel, who paid a courtesy visit. Chairman Vo Van Kiet had a cordial talk with Ambassador Pieter Steel.

Tunisian, Hungarian Envoys Present Credentials

BK1010145991 Hanoi VNA in English 1358 GMT 10 Oct 91

[Text] Hanoi VNA Oct.10—The newly accredited ambassadors of the Republic of Tunisia Salah Ben Mohamed Jebali and of the Hungarian Republic Raymond Toth today presented their credentials to Vice-president of the State Council Mrs. Nguyen Thi Dinh.

Vo Van Kiet Receives Tunisian Ambassador 13 Oct

BK1310074891 Hanoi VNA in English 0658 GMT 13 Oct 91

[Text] Hanoi VNA Oct 13—The new ambasador of Tunisia to Vietnam, Mr. Salah Ben Mohamed Jebali, paid a courtesy visit to Chairman of the Council of Ministers Vo Van Kiet on Friday.

The ambassador informed the Vietnamese leader of the situation in Tunisia, the Middle East and northern Africa. He expressed the Tunisian people's admiration for the late president Ho Chi Minh and the Vietnamese people's heroic struggle for independence and freedom. He wished for the further strengthening of the friendship and cooperation between the two countries.

Chairman Vo Van Kiet exchanged views with Ambassador Jebali on the possibilities of cooperation between the two countries.

Chairman Do Muoi Meets War Veterans Association

BK1010162191 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 9 Oct 91

[Text] The party Central Committee Secretariat held a working session with the standing board of the Vietnam War Veterans' Association Central Committee on 8 October. The session, chaired by Comrade Do Muoi, was attended by Comrade Dao Duy Tung, member of the Political Bureau and standing member of the Secretariat; Comrade Vu Oanh, the Political Bureau member in charge of mass organizations; and other comrades.

On behalf of the association's Central Committee, Comrade Song Hao, chairman of the association, briefed the Secretariat on the organization and growth as well as various aspects of the association's political and social activites in the past.

The Secretariat justly appraised the results of the association's activities and, at the same time, gave important advice on how to further develop the role of the Vietnam War Veterans' Association in the new situation and to step up its activities in all respects so it can, together with other mass organizations, make its contributions to socialist construction and defense in line with the political platform of the seventh party congress.

The Secretariat also gave its advice about the need to solve certain key issues and concretize the party leadership over the Vietnam War Veterans' Association, about the regulations governing the association's relations—as guided by party committee echelons—with the administration at all levels and with those mass organizations under the [Vietnam Fatherland] front under the leadership of party committee echelons; about the organization and personnel staffing of various agencies of the association at all levels, and about the association's financial problem.

In addition, the Secretariat also provided guidance for the holding of provincial, city, and national congresses of war veterans delegates.

Phan The Duyet Attends Hanoi Party Congress

BK0910161591 Hanoi Vietnam Television Network in Vietnamese 1300 GMT 6 Oct 91

[Text] The congress of the capital party organization delegates has concluded successfully. Large numbers of delegates from basic party organizations in the armed forces of the military region attended the congress.

Comrade Pham The Duyet, member of the party Central Committee Political Bureau and secretary of the Hanoi City party committee, attended and addressed the congress.

The congress focused on assessing the implementation of duties and pointed out good points and shortcomings in the party leadership of the party organization during the 1986-90 tenure. In particular, the congress devoted a great deal of time to analyzing the situation and features of the military region's tasks for the 1991-95 period, and its particularly important position in national security and defense.

The primary tasks of the military region are to urgently improve the quality of the armed forces, making them truly firm and strong so that they can serve as an effective advisor to the party committee and the people's committee of the city; to build an all-people national defense; to actively coordinate with the police and the people's public security forces in the maintenance of political stability of the capital; and to create conditions for socioeconomic stabilization and development in the current stage.

Nguyen Dinh Tu at University Party Congress

BK1110112991 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 9 Oct 91

[Text] On 9 October, the National Economics University held the second round of its party congress. Nearly 150 delegates representing more than 600 party members from various party chapters of the university attended the congress. Comrade Nguyen Dinh Tu, secretary of the party Central Committee and many representatives of party sectors of the central level and Hanoi also attended the congress.

The party secretary of the university reported that in the past, the university party committee led the university to fundamentally renew the purpose, content, and direction of the university's education program. The university has upgraded its material bases to successfully serve the university education renovation and improved its teaching quality.

On the basis of diversifying teaching forms, the university has particularly paid attention to providing training and refresher training to improve knowledge of business management cadres.

The university has actually attracted many leading scientific cadres from different sectors and subjects to take part in many research projects on science and economy of the party and state.

The work of party building and developing at the university has also been given attention regularly. Many grass-roots party organizations have been strengthened and purified.

The congress spent time discussing measures to successfully implement direction, duty, training purpose, and the research work of the university in the years ahead. The measures were based on the spirit of the seventh national party congress resolutions to strengthen the education and training work to form a contingent of workers with good knowledge and skills and of confident, active, and creative working attitude.

Bumper Harvest Expected From Autumn-Winter Rice

BK1110070591 Hanoi VNA in English 0604 GMT 11 Oct 91

[Text] Hanoi VNA Oct. 11—The autumn-winter rice crop, the harvest of which is to be completed in another fortnight, is very likely the best ever in North Vietnam. It is expected to yield some 4 million tonnes, 400,000 tonnes more than the peak year of 1987.

Good weather and the right choice of strains combined to raise output markedly. Higher yields have been reported in Hai Hung, Thai Binh, Ha Tay and Ha Nam Ninh Provinces. Certain parts of Ha Nam Ninh got up to 5-6, or even 8-9 tonnes per hectare.

Meanwhile farmers have planted maize, sweet potato and other winter food crops on 184,140 ha. Potato and bean will follow soon to catch up with the goods weather.

So far, 12,000 ha have been put under cotton in the country, a six-fold increase over last year. Of the figure 11,000 ha are in the household sector.

Major growers include Dong Nai (5,000 ha), Darlac (3,500 ha), and Thuan Hai (850 ha). A yield of 700-800 kg per hectare is expected from these provinces.

Ministry To Suspend 'Sensation-Mongering' Papers

BK1010032091 Hanoi Voice of Vietnam in English 1000 GMT 8 Oct 91

[Text] Vietnam is to suspend a number of sensation-mongering newspapers and reviews until further consideration. The move is prompted by a boom of cheap literature with the focus on violence, illicit love, sex, superstition, and horror with a liberal dose of nude photos. Many such publications are the products of leading publishers in Vietnam.

The Ministry of Culture, Information, and Post while asking the Publishing Department to take the move, urges publishers to comply with the law on press and publications.

VNA Reviews Newspapers for 12 Oct

BK1210161191 Hanoi VNA in English 1428 GMT 12 Oct 91

[Text] Hanoi VNA Oct.12—Prominence in the press here today is given to reports on an official friendship visit to Vietnam beginning today by Kaysone Phomvihan, chairman of the Central Committee of the Lao People's Revolutionary Party (LPRP) and president of the Lao People's Democratic Republic (LPDR) as guest of party General Secretary Do Muoi and State Council President Vo Chi Cong.

In a relevant editorial, NHAN DAN newspaper, central organ of the Communist Party of Vietnam, describes the visit, the first by a highest-level foreign delegation after the 7th CPV Congress held in late June last, as an important political event in the Vietnamese-Lao relationship of special friendship and all-round cooperation. The editorial further says: "The time-tested Vietnamese-Lao relationship has always become exemplary."

Chairman of the Council of Ministers Vo Van Kiet received Thursday a visiting delegation of the Institute of Humanistic Studies [word indistinct] of the United States led by Dick Clark, former senator and director of the Indochina Policy Programme, which arrived here on Oct.8 for a visit, the papers say.

Another report says that a delegation of the International Liason Department of the Communist Party of China led by its deputy head, Zhu Shangqing, left Ho Chi Minh City Thursday, ending its week-long visit to Vietnam from Oct.3.

Two Vietnamese chess players will participate in an international women chess tournament to be held in India from Oct.17-Nov.1, 1991 in memory of the late Indian Prime Minister Indira Gandhi, the papers report.

The finals of the 2nd National Light Music Solo Contest opened in Hanoi Thursday involving (? 20) vocalists selected from the two separate contests held in both northern and southern parts of Vietnam some months earlier, the press says, adding that the finals are scheduled to last till October 16.

Prominant foreign reports are about the opening on Thursday of the 4th Congress of the Communist Party of Cuba and the lastest developments in Yugoslavia and the Soviet Union.

Australia

Foreign Minister Comments on Khmer Refugees

BK1610103691 Hong Kong AFP in English 0958 GMT 16 Oct 91

[Text] Canberra, Oct 16 (AFP)—One week before the signing of the Cambodian peace accord, Australian Foreign Minister Gareth Evans said Wednesday the Khmer Rouge seemed to be preparing to force refugees back into areas under its control.

In a statement to parliament, Evans urged the international community to ensure all parties to the peace accord acted in line with its terms in the run-up to its signing in Paris on October 23.

Evans said the Khmer Rouge had replaced the elected administration of the U.N. Site Eight refugee camp in southeastern Thailand with its own appointees.

Senior Site Eight administrators—themselves members of the Khmer Rouge—were summoned to one of the faction's camps inside Cambodia on October 4 and have not returned, Evans said.

The foreign minister said four Khmer Rouge appointees had taken the place of the camp administrators and that there were real fears for their personal safety.

"The Khmer Rouge appear to be preparing for the forcible repatriation of the camp's inhabitants across the border into Khmer Rouge-controlled Cambodian territory," he said.

"The Australian government can only express its most serious concern at this development," he said, adding, "I hope the Thai authorities will act to prevent any forcible repatriation of Cambodians from this camp."

The comprehensive Cambodian settlement to be signed next week provides for orderly and voluntary repatriation of refugees to be coordinated by the U.N. High Commissioner for Refugees.

"On the eve of the signature of that international settlement the international community must insist that the Khmer Rouge, and indeed all parties to the forthcoming settlement, do act fully in accordance with the arrangments laid down by the U.N.'s peace plan," Evans said.

Cambodian Supreme National Council head Prince Norodom Sihanouk has appealed to all resistance parties not to take unilateral action to repatriate displaced Cambodians against their wishes, he said.

Grain Farmers Compensated for Gulf War Losses

BK1410075091 Melbourne Radio Australia in English 0500 GMT 14 Oct 91

[Text] The Australian Government has paid nearly Australian $33 million to the grains industry to compensate for losses caused by United Nations trade sanctions on Iraq. Of the total compensation amount $31 million has been paid to the wheat industry with smaller amounts going to rice and split pea growers.

The payments covered canceled contracts and the cost of reselling the grain to other markets. The growers have accepted the payments as a full and final settlement of losses arising from the sanctions.

French Polynesia

Reaction to French Nuclear Test Cuts 'Mixed'

BK1210115591 Hong Kong AFP in English 1125 GMT 11 Oct 91

[Text] Papeete, Oct 12 (AFP)—French Polynesia has mixed feelings about France's announcement of a reduction in its South Pacific nuclear tests from six to four in 1992.

Combined with the Soviet proposal for a complete worldwide halt for all such tests, the French territory is pondering its future, especially as the Pacific Experimental Centre (CEP) has played a substantial economic role here for 25 years.

Gaston Flosse, head of French Polynesia's government, said he naturally approved of the reasoning behind the French decision, because of the "significant movements towards disarmament being undertaken by the superpowers."

However, he added, "it is important that France maintains a defence potential compatible with its expected world role to safe guard its vital interests and those of others for which it is responsible.

"With its French associations, Polynesia expresses the wish that a positive decision in terms of international relations will not result in unfavourable economic and financial consequences for French Polynesia."

Local legislator Alexandre Leontieff said: "French Polynesia risks suffering economic, financial and social consequences from global disarmament.

"I am in favour of comprehensive agreements for 10 or 15 years between the (French) government and the territory which propose and integrate joint action in productive sectors such as tourism, the sea, farm-produce, renewable energy resources, education and professional training, as well as for the necessary equipment to open up the remote archipelagos."

Emile Vernaudon, president of the terrority's assembly, said: "It is certain these recent international events will have repercussions ... in French Polynesia."

Vanuatu

President Dissolves Parliament, Calls Election

BK1410091491 Hong Kong AFP in English 0902 GMT 14 Oct 91

[Text] Port-Vila, 14 Oct (AFP)—Six weeks after the dismissal of Vanuatu's first prime minister Walter Lini, President Fred Timakata dissolved the parliament Monday, calling a general election for December 2.

But the election, which was due by the end of the year, may not solve a constitutional riddle which has arisen in the wake of the sacking—Lini's demand that he should be the opposition leader.

After being dumped by the ruling Vanua'aku Party which he founded, Lini set up last month the National United Party (NUP), which although brand new is now the majority party with 22 members.

Attempts were made Monday by Lini and his NUP colleagues to have him installed as opposition leader to replace Joseph Jacobe, leader of the Tan Union Party represented by six MP's, one of whom is Speaker Vincent Boulekone.

The Tan Union has moved into coalition with the 19 members of the Vanua'aku Party (VP) led by new Prime Minister Donald Kalpokas.

The NUP members said in a statement last week that according to the Westminster parliamentary system, which Vanuatu adopted following independence from Britain and France in 1980, they should have become the opposition group.

They said if the Tan Union really is the opposition, then it would mean prime minister Kalpokas is leading a minority group.

However, Boulekone reiterated Monday the position he has adopted since the latest row started—that the NUP formed since Lini abandoned the VP "did not exist in parliament, because no one has elected any NUP MP's".

"All MPs presently under the NUP label were elected by the people four years ago under the Vanua'aku Party label and program," he said.

Another alternative, Boulekone added, would be for NUP supporters in parliament to become independents. Boulekone said last week he would only accept a decision after a debate in parliament on the question of who should be the leader of opposition.

During Monday's morning session only two NUP members were present and in the afternoon all had left their seats when the dissolution was announced.

Timakata announced the dissolution only days after the Kalpokas government had its four seat majority halved by the defection of one of its members.

Former Lini minister William Mahit, who seconded the no confidence motion that ousted Lini on September 6, changed his mind and switched sides last week.

The first sitting of a new 46-member legislature on December 16 will elect a new prime minister, who will then form his cabinet.

Father Lini's Party Alleges Police Harassment

BK1510072091 Melbourne Radio Australia in English 0500 GMT 15 Oct 91

[Text] In Vanuatu, Father Walter Lini's National United Party, the NUP, claims it has been subjected to police harassment, censorship, and other forms of political pressure since it was founded a month ago. Trevor Watson reports.

[Begin Watson Recording] The NUP says its offices have been searched and its members harassed by police. A party statement also accuses the ruling Vanua'aku Party Government of trying to evict the NUP from its Port Vila headquarters and censoring the broadcast of NUP material on Radio Vanuatu.

The new party, which was founded by ousted Prime Minister Father Walter Lini, had 22 members in the parliament, [out] of 46 [total members], which was dissolved yesterday to make way for elections on 2 December, but Parliamentary Speaker (Vincent Bolukon) refused to recognize the NUP as a political organization claiming that its members all stood as Vanua'aku Party candidates at the last poll four years ago.

In today's statement the NUP says it has now [words indistinct] some 20,000 rank and file supporters, most of them disaffected former members of the Vanua'aku Party. [end recording]